

produce business

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SMALL FORMAT RETAILERS How Produce Fits In

INSIDE

WILL 2016 BE THE YEAR OF STRATEGIC THINKING?
SPRING MERCHANDISING • PROTECTED AGRICULTURE
MANDARINS • MEXICAN MANGOS • FLORIDA VEGETABLES
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CORRECTION

In the January 2016 issue of PRODUCE BUSINESS, a subhead was misprinted. The subhead on page 92 should read: "No Intersection Between Organic and GMO."

produce quiz

THIS MONTH'S WINNER



MYRON MAYO
Category Manager/Buyer/Retail Sales
Indianapolis Fruit
Indianapolis, IN

We caught up with Mayo a couple weeks before Super Bowl 50, which for everyone in the produce industry is a booming and frantic time — especially for a buyer.

“My responsibilities grow on a daily basis,” says Mayo. “Currently, I’m the California vegetable category buyer; I also procure all the mushrooms, avocados (both conventional and organic), and I’m in charge of the Hispanic category.”

Mayo began his produce career at the age of 13 working for his Uncle Sal who ran

two retail produce markets called The Old Farm Market in Speedway and Avon, IN, for many years. “I learned many things about this business from him, and many of those lessons still hold true today — 40 years later.”

Working in the wholesale business, Mayo counsels customers daily. He advises retailers to “always keep it fresh, and always keep it full” to create a better shopping experience for consumers. “Make sure the first thing a customer sees in your department lures them to shop the rest of your department.”

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 April issue of PRODUCE BUSINESS. The winner must agree to submit a color photo to be published in that issue.

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QUESTIONS FOR THE FEBRUARY ISSUE

- 1) How many servings are in the family-size Chopped Salad Kits from Dole? _____
- 2) What is the website address for Four Seasons Produce Inc.? _____
- 3) What two types of Ranch dressings are featured on the ad for Mann Packing’s Fiesta Vegetable Tray? _____
- 4) What type of vegetable is featured on the ad for J. Marchini Farms’ Joe’s Premium? _____
- 5) What is the brand name of the kiwi from Sun Pacific? _____
- 6) What is the telephone number for Palmelitas? _____

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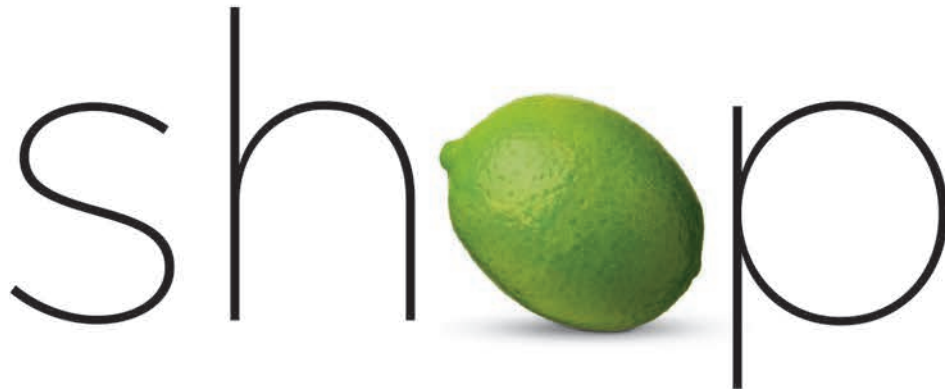
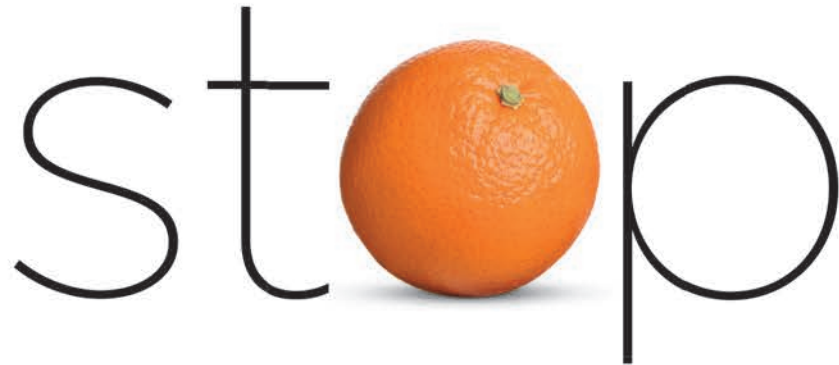
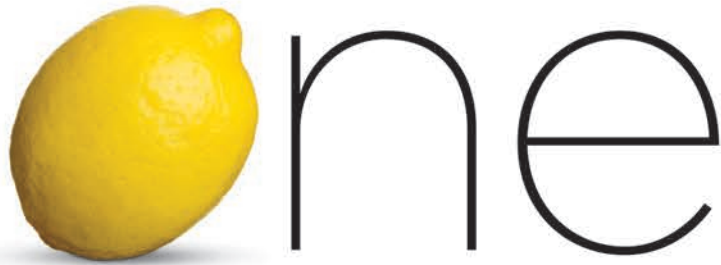
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Wrapping Up And Looking Ahead



BY JULIE MANES, DIRECTOR OF GOVERNMENT RELATIONS,
UNITED FRESH PRODUCE ASSOCIATION

While 2015 will never be considered a historically productive year in Congress, folks should know policymakers in Washington did manage to come together last year to pass a number of important legislative packages, such as reauthorizing trade promotion authority and federal transportation programs. United Fresh supported both of these initiatives because of the pivotal role these policies will play in opening international marketing opportunities for our industry and for ensuring our members' ability to domestically transport commodities safely and efficiently.

Additionally, capping off a year that was more productive than other recent years, Congress passed a comprehensive measure funding nearly all functions of the federal government.

Known as the Omnibus Appropriations bill for 2016, it contained several provisions important to the fresh fruit and vegetable industry. Fresh produce industry-relevant highlights of the measure include:

School Meals – Similar to last year, Congress agreed reductions in new school nutrition sodium standards will not take effect until supported by scientific studies. It also provides flexibility to local schools to implement whole grain nutrition standards if the school can demonstrate a hardship when procuring whole grain products. The agreement does not impact the current fruit and vegetable standards as prescribed under the Healthy Hunger-Free Kids Act.

Food and Drug Administration (FDA) – The bill includes an additional \$104.5 million in funding, which will allow FDA to implement the new final rules for the Food Safety Modernization Act. Most funding goes toward agreements with states that

will help facilitate the implementation requirements under FSMA for growers and food facilities.

Animal and Plant Health Inspection Service (APHIS) – A total of \$7.2 million in funding was included in the final legislation, which will help support efforts to combat citrus greening.

Dietary Guidelines – A provision was included to ensure the guidelines adhere to the nutritional and dietary scope of the law and are based upon sound science. Bill language has been included clearly stating the final guidelines cannot be released or implemented unless based upon significant scientific agreement and adhere to the statutory mandate.

Guest Worker Program – Provisions in the omnibus package exempt H-2B returning workers from the 66,000 annual cap. The bill also addresses H-2B wages and allows the use of private wage surveys. A clear definition of "seasonal" is set at 10 months as opposed to the nine-month standard in the new interim final H-2B comprehensive rule (IFR). The DOL is prevented from implementing the provisions of the interim final rule related to corresponding employment and the three fourths guarantee and also prevents the DOL from implementing the new enforcement scheme in the IFR related to audit and the certifying officer assisted recruitment.

These are just a few of the points of interest in the FY '16 Omnibus bill.

While Congress took action on several issues of importance to our industry, there are still many issues that need Congress' attention. For example, Congress needs to reauthorize the Child Nutrition Act, which provides critical feeding programs to America's schoolchildren. Action on the measure is expected to be completed early in 2016.

As Congress deliberates on the bill, United Fresh will work to ensure programs — such as the Fresh Fruit and Vegetable Program (FFVP) — promoting wellness among our nation's children are maintained. These programs improve the health and wellbeing of many kids who otherwise do not have access to fresh fruits and vegetables in their diets.

Trade policy is another area that needs Congressional action in 2016. As mentioned before, in 2015, Congress took the critical step of reauthorizing Trade Promotion Authority, which allows the President to submit trade deals to Congress for a straightforward, yes or no vote. Also, in 2015, U.S. trade negotiators reached a trade agreement with 11 other nations called the Trans-Pacific Partnership. This landmark agreement among Pacific Rim countries, including the U.S., would eliminate more than 18,000 tariffs that various countries put on products made in America. Congress needs to approve this agreement, and United Fresh will forcefully advocate for trade agreements that maximize trade opportunities for fresh produce providers.

Other issues Congress should address include killing EPA's egregious Clean Water Rule: Definition of "Waters of the United States" rule; GMO labeling; and ensuring growers have the crop protection tools needed to bring a safe and abundant crop of nutritious fruits and vegetables to consumers.

There's plenty of work to be done in 2016 to ensure federal policies maximize the produce industry's ability to supply Americans with fresh produce and the ability of produce providers to grow their businesses. United Fresh is ready to lead the way and forcefully advocate for our members.



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Conference Management: NurnbergMesse GmbH, Nuremberg, Germany
Phone: +49(0)30/3038-2020
Email: fruitlogistica@messe-berlin.de
Website: fruitlogistica.de/en/

FEBRUARY 10 - 13, 2016

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Conference Venue: Exhibition Centre Nuremberg, Nuremberg, Germany
Conference Management: NurnbergMesse GmbH, Nuremberg, Germany
Phone: +49(0)9 11 86 06-83 25
Website: biofach.com

FEBRUARY 21 - 25, 2016

GULFOOD

Conference Venue: Dubai World Trade Centre, Dubai, United Arab Emirates
Conference Management: Dubai World Trade Center, Dubai, United Arab Emirates
Phone: 009-711-43321000
Email: gulfoodmarketing@dwtc.com
Website: gulfood.com

FEBRUARY 24 - 27, 2016

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Conference Venue: Hyatt Regency, New Orleans
Conference Management: National Watermelon Association, Inc., Lakeland, FL
Phone: (863) 619-7575 • **Fax:** (863) 619-7577
Email: bobm@nwawatermelon.com
Website: watermelon.ag

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Email: ccunnick@nationalgrocers.org
Website: thengashow.com

MARCH 1 - 2, 2016

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Conference Management: University of California's Division of Agriculture, Davis, CA
Phone: (530) 752-7672 • **Fax:** (530) 754-4326
Email: pstockdale@ucdavis.edu
Website: postharvest.ucdavis.edu/Education/fruitripening

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Email: info@seproducecouncil.com
Website: seproducecouncil.com

MARCH 6 - 8, 2016

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Conference Venue: Jacob Javits Convention Center, New York, NY
Conference Management: Urban Expositions, Shelton, CT
Phone: (203) 484-8051
Email: atencza@urban-expo.com
Website: internationalrestaurantny.com

MARCH 7 - 9, 2016

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Conference Management: Wisconsin Restaurant Association, Madison, WI
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Email: dfaris@wirerestaurant.org
Website: everythingfoodservice.org

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Email: EricH@imexmanagement.com
Website: imexmanagement.com

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Conference Management: HPP Exhibitions, The Netherlands
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Email: patricia@hpp.nl • **Website:** worldfloralexpo.com

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'Message' Sent By Wal-Mart's Store Closings

BY JIM PREVORA, PRESIDENT & EDITOR-IN-CHIEF

Retailers close stores all the time without making a big deal. When Wal-Mart made a prominent decree that it was closing 269 stores globally, of which 154 were in the U.S. and Puerto Rico, the interesting question was not so much why it was closing those stores — after all, the same announcement included reassurance that Wal-Mart is growing, and it would open more than 300 stores in the next year. The interesting question was why make a big deal of it?

Of course, there are SEC regulations that require releases of certain “material” information. However, Wal-Mart has more than 11,000 stores in the world, plus online sales operations, so these closings were not likely to be deemed material. Alternatively, minor changes in approach — for example, announcing a few closings each day, week, month or quarter — would certainly have made this a non-event.

Perhaps an announcement that it was closing its Wal-Mart Express experiment (accounting for 102 closings) would have been appropriate. But Wal-Mart already signaled the end of this small store experiment when the company started rebranding them as Neighborhood Markets.

The choice to announce this decision in this way grew out of a desire to send a message. But what is the message, and to whom was it being sent?

One of the big changes Wal-Mart underwent during the past few decades was from being a retailer focused on sales and profitability to some kind of geopolitical entity so large that getting along with governments and non-governmental organizations (NGOs) sometimes seemed to take priority over making a buck.

By declaring these announcements and other related statements (such as a decision not to proceed with opening two stores in poor areas of Washington, D.C. whose opening had been negotiated as part of a deal to gain access to the D.C. market), Wal-Mart wanted the word to get out to many constituencies.

It wanted Wall Street and shareholders to know that Wal-Mart executives were prepared to take the heat that bad publicity engenders. These store closings could cost 10,000 workers their jobs and leave many towns without a viable large retail operation. Wal-Mart anticipated it would be attacked on every basis from its allegedly breaking agreements to abandoning communities and employees. The retailer wanted to express a recommitment to profitable operation.

It wanted consumers to begin thinking about Wal-Mart as an online operation. The closures were portrayed as a strategic re-positioning and got the words “online operations and Wal-Mart” on news programs and articles around the world.

It wanted governments to realize that policies would impact investment. Wal-Mart announced it included 60 stores it had already closed in Brazil, where the economy is collapsing. It also included

several Wal-Mart stores and Sam’s Club stores in Puerto Rico, another economic basket case.

Wal-Mart also announced it wouldn’t be opening several stores, including some it had committed to opening as part of a deal with D.C. politicians. The D.C. situation is especially telling. The *Washington Post* ran a piece explaining what happened during the meeting with Council member Jack Evans (D-Ward 2), head of the council’s finance committee, and Wal-Mart officials: “... *behind closed doors, Walmart officials were more frank about the reasons the company was downsizing. He [Evans] said the company cited the District’s rising minimum wage, now at \$11.50 an hour and possibly going to \$15 an hour if a proposed ballot measure is successful in November. He also said a proposal for legislation requiring D.C. employers to pay into a fund for family and medical leave for employees, and another effort to require a minimum amount of hours for hourly workers were compounding costs and concerns for the retailer.*”

Wal-Mart was sending another message: Whether in Brazil, Puerto Rico or Washington, D.C., politicians — and the citizenry — can’t view Wal-Mart as some kind of fixed resource, guaranteed to always be there to make jobs and pay taxes regardless of the burdens thrown on the retailer or the quality of overall economic management.

It is not certain that Wal-Mart did itself a favor with these actions. One big obstacle to Wal-Mart’s expansion has always been its image as a “Main Street killer.” Now those looking to oppose Wal-Mart’s expansion can remind communities of what happens after a Main Street is destroyed, and then Wal-Mart decides to leave.

Abandoning the Express format may be a short-term win, but there is a place for small-format retailing (e.g. Trader Joe’s, Aldi and soon, Lidl). We suspect Wal-Mart will regret not investing to get this right. In Washington D.C., Wal-Mart walked away from a deal, and that undermines its credibility.

The retailer could have made the deal contingent on formalities such as the minimum wage and family-leave legislation being to its satisfaction, but it did not. This may outrage local politicians without much affect, but it reduces Wal-Mart’s credibility as a negotiating partner. This will probably cost the chain big time in years to come. It would have been cheaper to build the two stores in the bad locations of D.C., and then close them if they lose money.

But the whole situation shows the degree to which retailers, such as Wal-Mart, have to do things beyond simply buying and selling. Producers ought to remember this before they complain about excessive margins at retail. Those margins pay for a lot more than the product. Even a lot more than the stores and the advertising.

In making the announcements of its store closings, Wal-Mart wanted the word to get out to many constituencies.

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The Power Of Produce Part 2

The Produce Purchasing Decision: Equity Drives Loyalty

BY ANNE-MARIE ROERINK, PRINCIPAL, 210 ANALYTICS

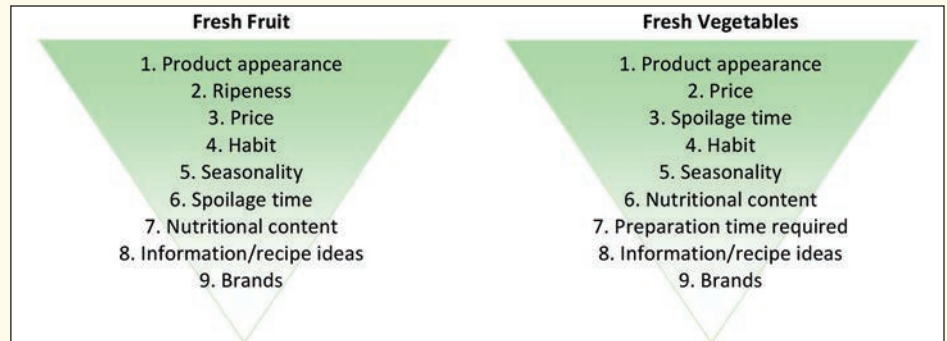
We all know it: you cannot compete on price alone. Yet, when the store down the street drops their prices on produce, it is hard to fight the urge to follow suit. After all, we don't like our competition to beat us on ad features or key seasonal items. The good news is, both the *Power of Produce* research by the Food Marketing Institute (FMI) and the *Nielsen Store Choice Drivers Report* show that price is important, but neither the sole nor primary purchase driver.

The produce purchasing decision tree underscores that most customers seek value versus just low prices when buying fresh fruit and vegetables. In both instances, appearance (the in-store reflection of quality) beats out price in the buying decision.

Likewise, Nielsen found that "everyday low prices" is only a medium-level driver of loyalty in the perimeter versus quality, variety, ease of shopping and in-stock being much more important drivers. Yet, we cannot underestimate the importance of price either with six in 10 shoppers often comparing prices between different produce items in the store. This mixed emphasis on price on the one hand and appearance, ripeness and variety on the other underscores that having the best prices without execution may result in a lost basket in the immediate term and lost customers in the longer term.

The *Power of Produce* research found that strong execution consists of eye-catching displays and solution signage/merchandising. But conquering the fundamentals is imperative as well, which include having clearly-marked prices, avoiding out-of-stocks, providing extensive item variety and in-item variety — with close to six in 10 shoppers voting for increased availability of items "grown in the USA" and/or locally sourced.

While new item introductions have always been the oxygen that drives growth for retailers, shoppers themselves deemphasize their importance in the



produce department — [new item introductions] were deemed "very" important by just 24 percent. However, in reality, The Nielsen Perishables Group found many segments are shape-shifting, leading to an explosion of new products — with unique items per store up 3.5 percent versus past year. New trends include smaller packages for portability and smaller households, healthy snacking, meal kits that include produce, kid-friendly options/packaging, as well as smoothies and juicing. In reality, many of these new items are driving substantial incremental growth, according to insights firm IRI. For instance, mini bell peppers exploded in sales as consumers view them as tasty snacks and easy salad toppers — resulting in double the category dollar sales growth value.

Another good example is that of fixed weight versus random weight produce — with the former becoming a rapid consumer favorite to simplify both shopping and preparation. IRI found that fixed-weight products reached critical mass in many categories in 2014. Sales shares were at more than 70 percent in eight categories (including spinach, carrots and peas) and more than 40 percent in 20 categories. These are just a few of many examples showing retailers that embrace new products (including packaging changes) are enjoying significant sales gains.

So how do we get shoppers to try new items? The *Power of Produce* found that recommendations of friends and family are the most effective, cited by 41 percent. But trial is also often prompted in-store, by sales

promotions, displays, sampling, as a recipe ingredient or by recommendation from a produce department associate. Shoppers like the idea of recipes, serving ideas, and how-to instructions with 41 percent saying they would absolutely use them. These solutions, along with new items, are met with particular enthusiasm by parents, Millennials, organic shoppers and those working full time.

All these findings show that with quality beating price, and ample room for impulse purchases, the door is wide open for our industry to be creative and purposeful in the execution of cross-merchandising and effectively using recipes and information to help educate shoppers and drive sales, both now and in the future.



Food Marketing Institute is a trade association that advocates on behalf of the food retail industry. FMI's U.S. members operate nearly 40,000 retail food stores and 25,000 pharmacies. Through programs in public affairs, food safety, research, education and industry relations, FMI offers resources and provides valuable benefits to more than 1,225 food retail and wholesale member companies in the United States and around the world.



Source: The Power of Produce 2015 — Shopper research by the Food Marketing Institute, made possible by Yeric Label and implemented by 210 Analytics.

Price Is Just One Variable

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

Perhaps the most counter-productive *diktat* in the entire produce industry is the dual requirement laid down by many supermarket chief executives: First, requiring the produce department to meet Wal-Mart's banana price, as this is deemed a marquee item by which the consumers judge the price-competitiveness of the entire store; second, demanding the produce department compensate for reduced margin on bananas by increasing margin on the rest of the department. With these demands, chief executives succeed in draining the banana category of profitability while also making all other items overpriced.

It also puts the merchandising and marketing functions into a hypothetical box. After all, though price is clearly important to shoppers, it is important in complex ways. Price actually is part of value perception. In other words, if organic product magically became consistently cheaper than conventional, consumers who want the "best" for their babies might suddenly have second thoughts about the desirability of organic simply because it is cheaper.

Branding is traditionally weak in the produce section. The reason is two-fold: First, branding generally consisted of parity products such as bananas, which are all the Cavendish variety. So, unlike the soup aisle, where one firm's chicken noodle soup is different in flavor from another's chicken noodle soup, stores generally carried only one brand of bananas at a time.

Second, what differences there are among brands tend to be outweighed by the physical appearance. So even if consumers generally prefer Brand X, the fact that they are staring at Brand Y and find it acceptable means they are unlikely to go shopping elsewhere for a favored brand. This is very different than a canned or packaged product, where consumers can't judge product quality without X-ray vision.

This research, not surprisingly, shows if consumers see something they like, they are inclined to trust that first-hand evidence,

Increasingly, value perception will be influenced not just by the appearance of produce but by the intrinsic nature of the fruit or vegetable.

and they find it worth paying for rather than relying on an abstract preference.

The role of price in produce marketing is unusual. In general, produce is highest priced when it is lowest quality because it is early season, late season, or because bad weather hurt the whole crop. We don't have very good data to see how this interacts with consumer preference, but it turns the concept on its head that the best quality brings the highest prices on most items.

In studying price, there are three different effects: One is internal to the department; for example, a mother wants to buy snack fruit for the children, and Clementines are bargain-priced, whereas bagged apples are dear. Price can alter purchase choice. Two is internal to the store: vegetable prices are high due to bad weather, and that leads to switching to canned or frozen vegetables, or sky high snack fruit prices lead consumers to buy cookies, Jello or pudding snack packages. Three, there is a competitive impact with other stores. Consumers use ads or knowledge of prices acquired in other ways to select which store to shop.

Not surprisingly, though, with produce as with most things in life, price is just one variable. Some variables, such as location, are not under the control of the produce department. Others, such as the store's reputation for cleanliness and variety, are only partially impacted by produce. Other factors, such as produce quality or how merchandise is displayed and marketed, are heavily influenced by produce executives and the decisions they make.

Increasingly, value perception will be

influenced not just by the appearance of produce but by the intrinsic nature of the fruit or vegetable. We see this already influencing consumer behavior. Being the cheapest on apples may not drive much purchasing if the consumer wants Honeycrisp.

Right now, many things are based on consumer perception without much data to back it up. The research shows that consumers value getting some shelf life back home when buying vegetables. But if consumers see a best-food-day ad for a vegetable, how can they know if that vegetable will last longer than the same vegetable bought at another supermarket?

The answer will increasingly lean toward proprietary varieties that offer unique attributes. This influencer may be flavor, nutrition, characteristics such as not browning, or extended shelf-life.

In fact, it is fair to say that the produce industry — both production and retail — will bifurcate with those producers and retailers having access to superior proprietary varieties likely to capture consumer preference, thus leading to higher sales and higher margins. Those left dependent on common, non-proprietary varieties will be the bargain basement, attracting consumers without the disposable income to be selective in their produce choice.

Don't be surprised if retailers start securing the rights to proprietary produce genetics. There is no more certain way to position a retailer as irreplaceable to a consumer looking for produce with certain specific attributes.

pb

TRANSITIONS



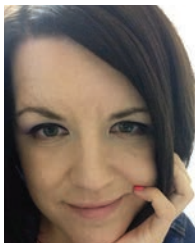
**INDIANAPOLIS FRUIT
INDIANAPOLIS, IN**

Indianapolis Fruit welcomes promotions and new staff: **Nick Mascari** is promoted to assistant director of sales, new business development of national accounts. Mascari has been a strong leader within the company for the past eight years. He was previously the assistant director of procurement. His skills are not only demonstrated in his roles for Indy Fruit, but they are also put to use on the multiple boards within various produce industry trade associations.



Daniel Corsaro came to work for Indianapolis Fruit full time in 2014. Corsaro participated in Indianapolis Fruit's yearlong management trainee position during his first year of employment. He then transitioned into his previous role as territory sales manager

where he focused on servicing existing accounts, developing growth programs for retail partners, and cultivating new business opportunities. In his new role, as assistant director of sales, Corsaro will be responsible for current account management, implementation of processes and procedures, fostering meaningful partnerships on behalf of the organization, and developing new and innovative retail programs to drive sales.



Stacy Dille joined the Indy Fruit team this year as a produce buyer. Prior to joining Indianapolis Fruit, she was a produce buyer at C&S for almost 11 years. In her new role, she will be responsible for procuring the southeastern vegetable category. Dille brings a

wealth of produce knowledge and passion to the position.

ANNOUNCEMENT

**NATUREFRESH FARMS BREAKS
GROUND FOR PHASE II IN OHIO**



With the first crop of OhioRed tomatoes to be picked in late this month, NatureFresh Farms (Leamington, Ontario, Canada) announces the company broke ground on Phase II of its Delta, OH greenhouse facility. Like Phase I, which was completed in late November 2015, Phase II will be 15-plus acres in size and will be completed this summer. Nature-Fresh's Delta facility will be producing greenhouse vegetables year-round starting next winter.

**MANN'S CUBED BUTTERNUT SQUASH FEATURED
ON FOOD NETWORK CANADA'S 'FOOD FACTORY'**

Mann Packing Company, Inc., Salinas, CA, announced its Cubed Butternut Squash appeared on an episode of Food Network Canada's popular show, "Food Factory." In the U.S., Mann's Cubed Butternut Squash will be featured on FYI Network's "Food Factory USA."



TRANSITIONS

**THE HASS AVOCADO BOARD
MISSION VIEJO, CA**

The Hass Avocado Board announces the promotion of **Robert Rumph**, controller and financial services manager, to vice president of finance and **Gina Widjaja**, marketing and communications manager, to director of marketing and communications. Rumph joined the Hass Avocado Board in 2009 as controller and financial services manager. During his tenure, revenue increased more than 80 percent.

Joining the Hass Avocado Board in 2012 as the marketing and communications manager, Widjaja focused much of her work on shaping perceptions of the nutritional benefits of avocados in the U.S.

**ALLEN LUND COMPANY
LA CANADA, CA**

The Allen Lund Company announces the promotion of **Matt Christ** (Los Angeles division) and **Casey Fletcher** (Dallas division) to business development specialist (BDS). Christ began his career with the Allen Lund Company Rochester office in 2010 and transferred to the Los Angeles Refrigerated Department in 2011. He graduated from Nazareth College of Rochester with a BA in business administration. Fletcher started working as an intern for the Allen Lund Company during the summer of 2013, and began working as a full-time broker in May 2015. Fletcher attended Midwestern State University where she received a bachelor's degree in applied arts and sciences.

TRANSITIONS



ANNOUNCEMENT

**CALIFORNIA AVOCADO COMMISSION
DEBUTS NEW LOGO**

In preparation for the 2016 California avocado season, the Irvine, CA-based California Avocado Commission (CAC) unveiled a new logo that will be used throughout its marketing campaign. The logo art ties directly to the California label that many avocado handlers have been using for the avocados they pack.



ANNOUNCEMENT



**HOLLANDIA IMPLEMENTS AN
EMPLOYEE STOCK OWNERSHIP
PLAN (ESOP)**

Hollandia, the Carpinteria, CA-based purveyor of living butter lettuce, announces it is transitioning the company to become employee-owned by implementing an Employee Stock Ownership Plan ("ESOP"). Pete Overgaag will stay on as chief executive and assisted by the current executive management team. Mosaic Capital Partners ("Mosaic") and Endeavor Structured Equity and Mezzanine Fund ("Endeavor SEAM") support this transition by structuring and funding the ESOP. SDR Ventures serves as financial advisor and helps Hollandia successfully pursue and complete the ESOP transaction.

ANNOUNCEMENT

**SUNKIST EXPANDS
ORGANIC PORTFOLIO**

Sunkist, Valencia, CA, offers a broadened portfolio of organics with more acreage coming into production — including Navel, Cara Cara Navel and Valencia oranges, Mandarins, Minneolas, grapefruit, lemons and limes. Paired with a strong supply of conventional citrus, Sunkist is able to supply retailers' entire citrus program. Organics are a fast-growing segment in agriculture. Retail sales of organic citrus in the U.S. were up 14 percent in 2015 according to IRI Worldwide Data, meaning that organic citrus is growing nearly three times faster than conventional citrus.



ANNOUNCEMENT



**BLUEJAY BRANDED CARTON
FROM FIERRO DESIGN**

Fierro Design, the Eugene, OR-based graphic design company for the produce industry, offers services such as corporate identity programs, collateral materials, trade advertising, point of purchase display graphics, packaging graphics and web design — introduces the new BlueJay brand 3/4 view carton lid graphic update to be introduced in this 2016 winter season.

ANNOUNCEMENT

MARKET FRESH PRODUCE LLC ANNOUNCES TYLER PHIPPS MEMORIAL SCHOLARSHIP FUND



Market Fresh Produce's chairman and chief executive, Steve Phipps, announces the Tyler Phipps Memorial Scholarship Fund (TPMSF) in honor of his son Tyler, who passed away September 26, 2015. A scholarship will be awarded annually to a high school senior going into a field of study with the intention of entering the produce industry. The first scholarship will be awarded for the 2016-17 academic year. Details and criteria to qualify for this scholarship can be found on Market Fresh's website TylerPhippsMemorialFund.org.

ANNOUNCEMENT

NEPC APPOINTS NEW PRESIDENT AND BOARD MEMBER



Sattler

Jewell

The New England Produce Council (Burlington, MA) announces Anthony Sattler (of Hatfield, MA-based C&S Wholesale Grocers, Inc.) as NEPC President

and Mark Jewell (of Portland, ME-based Hannaford Supermarkets) as newly appointed board member. Sattler, vice president of produce, C&S Wholesale Grocers, Inc., has been with the company for 19 years. Prior to his current position at C&S Wholesale Grocers, Inc. he was a produce buyer, dairy category manager and senior director. His current responsibilities include sourcing and procurement of fresh produce for C&S Wholesale Grocers, Inc. Mark Jewell, category manager produce, Hannaford Supermarkets, will be celebrating his 33rd year with the company this coming May. Prior to his current position, Jewell was a category manager for fresh deli, produce buyer, specialist lead for retail operations, store manager and meat buyer.

ANNOUNCEMENT

STEMILT'S PIÑATA IS FEATURED AT CHEF ERICKA BURKE'S RESTAURANTS AND FOOD MARKETS



The New Year marked the return of Stemilt's (Wenatchee, WA) signature apple variety, Piñata, to supermarkets nationwide. The apple is also featured on the menu at two Seattle restaurants and a Northwest-inspired food market thanks to a new partnership with Chef Ericka Burke. Burke is the visionary behind

Seattle's successful Volunteer Park Cafe and Canal Market, and the brand-new Chop Shop Cafe & Bar. She first learned of Piñata apples after catering Stemilt's "Meet the Grower" dinner for food bloggers in Seattle. Chef Burke's creations with Piñata apples include: Shaved Celeriac Salad with fennel, Piñata apple and creamy Meyer lemon dressing; Double-Cut Pork Chop with honey apple gastrique, Piñata apple and grilled quince; and Hazelnut Chevre with organic greens, Piñata apple, candied hazelnuts and pomegranate vinaigrette.

ALDI STORES EARN PLATINUM GREENCHILL STATUS VIA HILLPHOENIX

ALDI stores in Webster and West Carthage, NY, earned Platinum GreenChill certification — the U.S. Environmental Protection Agency's highest sustainability award for food retailers — because of its investment in refrigeration systems that use natural refrigerants. To achieve this milestone, the two stores installed Hillphoenix Advansor CO2 Booster Systems, which use carbon dioxide-based refrigerant with a global-warming potential (GWP) rating of 1. By comparison, an HFC-based refrigerant can have a GWP rating as high as 3985. The ALDI stores also installed Hillphoenix closed-door refrigerated cases equipped with energy-conserving technology. Hillphoenix Inc., a Dover Company based in Conyers, GA, designs and manufactures commercial refrigerated display cases and specialty products, refrigeration systems, integrated power distribution systems and walk-in coolers and freezers.

ANNOUNCEMENT



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Will 2016 Be The Year Of Strategic Thinking?

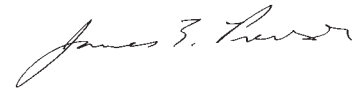
As we move into the New Year, the challenge remains the same: How do we position ourselves and our organisations for success in 2016 and beyond? One answer is to understand more accurately the changes we see in our industry.

The boom is the hard discounters — but people who speak like this haven't really been looking at the evolution of these stores. Go to America, and walk into an Aldi U.S. outlet; you'll see a deep discount concept as existed in the U.K. at least a decade ago. In Ireland, the market share for so-called hard discounters is higher than in the U.K., but their newest stores scream anything but traditional discount. Below is a picture Paul Gibson, a sales operations executive at Lidl Northern Ireland, published

on LinkedIn to promote the reopening, after renovation.

Mr. Gibson is rightly proud of the beautiful store, and whatever it screams to consumers, hard discount is unlikely to be the message. Indeed the key to the success of such stores may well be the willingness to make stores and products as attractive as possible. Mainstream chain retailers responded to the discounters by trying to segment their private-label offerings. The idea is to offer a competitively priced line to what discounters offer in order to capture consumers focused on price, while also marketing higher margin private-label offerings that will boost profits.

The efforts have not been wildly successful. It is partially because mainstream retailers don't like the lower



JIM PREVOR
EDITOR-IN-CHIEF

margins the deep discount lines generate, so they tend to start in all stores with a big unveiling and then gradually disappear. In the effort to boost margin, stores don't reorder the lines, and headquarters doesn't force distribution.

The bigger problem, though, is with the lines themselves. Mainstream retailers specifically have experts working hard to ensure these discount lines are not very attractive, lest their allure leads consumers to downshift to a lower-margin item. In other words, trying to segment the consumers, mainstream retailers want these products to look cheap. Ideally, they would like there to be a little shame when others — consumers or staff — see someone carrying these low-margin lines in their basket.

In contrast, Aldi and Lidl want to make their products and stores as attractive to consumers as possible within the realm of affordability. So consumers who value economy are left with two choices: Go to mainstream stores and buy what is obviously an unappealing range — and even be noticed by others in the store as buying discount lines — or go to a place where you buy the top line and everyone is equal.



Lidl/Banbridge/Northern Ireland



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From the publishers of:



Is it really a surprise that the discounters who offer this alternative gain market share? For mainstream retailers looking for a challenge in 2016, how about a resolution to eschew treating any customer as a second-class citizen?

With AmazonFresh likely getting ready to roll out in the U.K., competitors may see another food delivery service (such as Ocado) emerge. But what if making money on fresh foods, or food at all, isn't actually important to these companies? Instead, they just want to fill up space in trucks on a break-even basis, so high-margin, general merchandise is sold on a self-owned delivery network that will deliver in hours.

Many years ago, this columnist was the "Coconut King of America" — and we never made a dime on coconuts. But coconuts had the great advantage of being big and bulky, and filling up the trucks with coconuts sold just to carry their share of the freight made it possible for us to sell high-margin Italian chestnuts, Greek figs, Belgian endive and salsify, and French Granny Smith apples all over America.

For everyone, the evolution of the business is pointing to a new golden ring on the carousel: proprietary genetic material.

For retailers, developing a good strategy for dealing with a competitor who approaches the market in this way may be the challenge of 2016.

Growers struggled for years with a constrained buyer base. Some felt their futures depend on all-in affiliation with particular chains. This may work to make a living, but it also limits the growth of the business, because one can't be married to everyone.

So top producers chose to reduce their risk — political and economic; weather and market — by diversifying their production and customer base. It wasn't destiny that a company such as G's in the U.K. would have growing

operations in Spain, Poland, the Czech Republic, Senegal, and a marketing operation in America. It is indicative of a company thinking strategically about ways to succeed in the world as it is, not as they might prefer it.

Which path to take — strict alignment with a favoured customer or customers; or diversified production and marketing — is the challenge for producers in 2016.

For everyone, the evolution of the business is pointing to a new golden ring on the carousel: proprietary genetic material.

With Club apples and special varieties of table grapes and berries, we just began to experience the way superior genetic material can transform the industry. There is the Driscoll's model, where it owns its production and marketing, and the Sun World model, where it licenses its varieties around the world.

Some varieties are better than others, but tying superior genetics with branding is likely to upend the power relationships in the industry. Sun World has a deep knowledge base in this area as any company in the industry, and when 2015 came to a close, it announced the formation of a new entity, Sun World Innovations and the appointment of Sun World LLC's executive vice president, David Marguleas — who has long run Sun World's breeding and licensing efforts — to an additional role as president of the entity.

How to deal with water issues, labour issues and breeding all will be in the new entity's bailiwick. Perhaps the *sotto voce* message is that 2016 is the year for strategic thinking about the kinds of fruits and vegetables the industry will yield and how it will be marketed. The winners will be those who think smartest and hardest on the defining issue of the times.

A brand new website for fresh produce buyers



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BEST, MOST FLAVORFUL
INGREDIENTS."*



Standard Foods

Sustainable and farm fresh, this retailer is a return to the neighborhood grocery store in Raleigh.

By Chris Auman



ALL PHOTOS BY JESSICA CRAWFORD

You could say Standard Foods is hyperlocal. The combination grocery and restaurant, located in downtown Raleigh, NC, has a clear, sharp focus when sourcing local ingredients for everything it sells. From the Butternut squash soup served in its 80-seat dining room to the in-season produce, herbs and wildflowers sold in its fresh market, the store's sourcing philosophy can be summed up in one word: obsessive. Seafood comes from the state's Atlantic Coast; the in-house butchery features pastured meat from local farms; milk and cheese come from local dairies; and milled corn and wheat are sourced from the area as well. Even its 14-seat bar features beer from North Carolina brewers. The Standard Foods' business model puts the emphasis on local, sustainable and seasonal commodities.

The concept is a joint venture between local developer John Holmes and Scott Crawford, a three-time James Beard Foundation semi-finalist for Best Chef: Southeast. The

restaurant/grocery hybrid is a combined 6,000 square feet, with 1,200 square feet serving as a market, and roughly 500 square feet of that space is dedicated to produce. The restaurant opened first in early October of 2015 with the grocery opening a month later, both with the mission of reintroducing consumers to local food and getting them back in touch with local growers. It is a part of a large development plan undertaken by Holmes in downtown Raleigh, which also provides a home to the community-supported Raleigh City Farm, as well as the Yellow Dog Bakery.

Local And Sustainable

Sustainability is important to an increasing number of consumers. It has become a way of life and a business model for places like Standard Foods, which champions North Carolina's rich agrarian history and the diverse variety of commodities it produces. With the growth and popularity of farmers markets and farm-to-table dining, the trend toward fresh, locally

sourced food (including organics) has grown into a national movement.

There is both a desire and a real need to take advantage of local resources, and Standard Foods seeks to meet this demand. "We are seeking out the small farmer who has excellent product, but one who doesn't have a market," says Deborah Underwood Brown, the store's farm liaison. "Maybe they live too remotely or they don't have transport. We're helping develop hubs where several farmers partner and drive in food, or we pick it up."

As a move toward this goal, Brown developed relationships with growers in the area. She is out there every day connecting with the region's many small farmers. She's a farmer herself. As the owner of High Ground Farm, located southwest of Raleigh in Harnett County, Brown sells her farm's berries, eggs and wildflowers at the store and has a great appreciation for the growing spirit of cooperation among growers and retailers.

"It all developed out of the ideals that



(L-R Clockwise) Head Butcher Steve Goff; Partners John Holmes and Chef Scott Crawford; Farm Liaison Deborah Underwood Brown

John (Holmes) has for the store,” says Brown. “Everything revolves around the very small farmer and the very small artisan. By keeping them central, we are supporting the small farmer. We’re making their business sustainable.” Sustainability benefits the growers directly, but it goes beyond that. Brown points out: “Hopefully, we help their community, and by doing that we connect them to our community. That’s what people are looking for today.”

Change Is Good

Standard Foods embraces the change of consumers’ requirements for produce. The change in the way people shop for fresh produce; change in the way people feel about their food; and change in the very shopping habits that bring them to produce markets. Not every commodity will be available every day, and that also means change in inventory on a consistent basis. “There’s a lot of moving parts because of what we offer the community,” says Brown. “There’s lots of variety and interest because it’s always changing.”

Today, consumers in the U.S. are accustomed to having year-round access to produce that was once scarce or unobtainable for much of the year. Now that commodities can be



trucked from the Southeast to the Northeast in less than 24 hours, seasonality has lost its meaning for produce buyers. Standard Foods is part of a movement that is returning to more seasonal eating habits. The only question: is Raleigh ready for it?

According to Brown, not only are Raleighites ready for it, they celebrate the return of the neighborhood grocery store. “They’re hungry for local,” says Brown. “They want to know where it came from; they want to know how it was grown, and I can tell them.”

Brown gained her knowledge of local crops and farming techniques, along with her relationship with growers, by being up close and personal. “I’ve been to the farm,” she says, “I’ve talked to the farmers. I’ve walked the fields. This is my background. I grew up this way. To me, it’s like breathing.”

That personal investment in the agriculture of the region, combined with the local flavor of a friendly, neighborhood market can be found throughout Standard Foods, from the butchery to the prepared foods case stocked with an ever-changing selection of items made in the kitchen. Customers can get fresh juice from a vending machine operated by local juice company, Raleigh Raw, which restocks the machine every two days with 100 percent, raw, organic, cold pressed juice.

Shoppers can purchase heirloom apple varieties (native to the state) from Reidsville, NC-based Century Farm Orchard’s or buy produce fresh from certified organic farms in the area, such as the 125-acre Pine Knot Farms, located roughly 50 miles northwest of Raleigh, in Hurdle Mills, NC. As many as 50 other small family farms around the state are sourced for their seasonal offerings of potatoes, squash, eggplants, strawberries, apples and

collard greens.

Rustic Displays

Produce items vary from season to season, even week to week, so signage is important in educating consumers about new arrivals. “We have every item labeled with the farm that it came from, where it’s located, and the [farm’s growing] practices,” says Brown. “Many of the farms we are choosing are certified organic, some are practicing sustainable farming, and every item is labeled as such.”

The store utilizes the talents of a local artist to create handmade signage. “We have a wonderful sign maker. We’re going to insure her hands,” jokes Brown. Due to the quickly changing inventory of produce items, the store also relies on employees to create signage. This practice gets them involved in the process. “This is a local, community grocery, and we want it to reflect our team members, so everybody makes signs.”

Winter squash and tomatoes fill wood bins; apples overflow wooden baskets lined with burlap; wicker baskets are piled high with bulbs of garlic, and crates topped with cabbages are stacked directly onto the floor. Produce is displayed in a rustic setting that harkens back to a time few of us remember, yet it still creates a connection to the past for shoppers. This is the way it was in the neighborhood grocery, and Standard Foods wants to rekindle that connection and make it the reincarnated standard. “By holding that standard close, we offer a different product,” says Brown.

Supporting Community

A good local grocery store does more than support the surrounding community — it anchors it. According to Brown, this personal community aspect is something many consumers think has been missing for decades in retail. For others, those of a new generation, the concept is new to them, and they want to be a part of the experience. “Everybody who comes into our store is so excited,” says Brown. While she spends much of her time meeting new farmers and visiting new fields, she tries to be in the store every day.

Educating customers on a one-to-one basis is a great tool for connecting with the community and Brown enjoys doing it. “It’s easy for me,” she says, “I’ve been in this arena a long time. I can tell them all about the product.” In the future she hopes to have set hours where she can be available to answer customers’ questions about locally sourced food. “Raleigh is hungry for this, and the testament is how busy we are.”

pb

SMALL FORMAT RETAILERS: How Produce Fits In

BUILDING NEW RELATIONSHIPS
BETWEEN SHOPPERS
AND FRESH.

BY MINDY HERMANN, RD



PHOTOS COURTESY OF BFRESH

Small has become big in food retail. In the continuing fight for market share in an increasingly competitive landscape, retailers are embracing small format as a way to attract today's shoppers where and how they shop. Small format is so dominant that the RetailNet Group — a Waltham, MA-based company providing research, analytics and marketing to its clients — projects that nearly all of North American net new store growth through 2017 will be in small format, particularly in urban settings.

Small is relative. Tim Barrett, retail research analyst at Chicago-based Euromonitor International (an independent provider of strategic market research), notes “small” reflects function over form; small format stores have a smaller footprint than a full-size market, fewer SKUs, and a proportionately larger produce department.

“Small format can range from 5,000 to 40,000 square feet, offer just 5,000 high-volume items, feature more fresh foods and limited traditional groceries, and carry up to a couple hundred bestselling produce SKUs,” says Dick Spezzano, president, Spezzano Consulting Service, Inc., Monrovia, CA. “Today’s consumers might shop at a Costco or Walmart Supercenter once a month, and then fill in during the week from small format fresh stores (such as Sprouts Farmers Market and Fresh Market), along with dollar stores and drugstores.” Spezzano notes that small

format stores also have lower operating expenses — they’re less costly to build, with lower day-to-day costs, and pay less in labor.

Niches Drive Growth

The small format landscape is quickly being carved into niches. Most visible is the rapidly expanding, European-based deep discounter Aldi. Other food retailers, such as Emeryville, CA-based Grocery Outlet, and Eden Prairie, MN-based SuperValu’s Save-A-Lot, also compete for the price-sensitive shopper. Monrovia, CA-based Trader Joe’s and Phoenix, AZ-based Sprouts appeal to foodies, selling on quality and offering attractive pricing. Trader Joe’s also stands out for its strong private-label lines and light-hearted culture. In 2016, Whole Foods Market’s 365 concept makes its entry into the marketplace with a budget-conscious format.

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MA, emphasizes local, enhancing its 21-store chain with two Brothers Marketplace locations. Approximately one-quarter the size of a typical Roche Bros. store, "Marketplace locations place a particular emphasis on local offerings, building close relationships with area farms and working directly with farmers to ensure availability for our customers," says Dena Kowaloff, director of marketing, Roche Bros. Supermarkets.

Kroger is pursuing two different paths, marketing on freshness and flavor in its new Main & Vine in Gig Harbor, WA, and fast-tracking its entry into the marketplace with its 2015 acquisition of the Chicago-based Mariano's Fresh Market as part of the Roundy's purchase.

Some small format settings serve as pilot stores or learning laboratories for the parent companies. Ahold's Fresh Formats division opened two 10,000-square-foot BFresh locations, in Boston and Fairfield, CT, and a 3,000-square-foot Everything Fresh in Philadelphia, to explore the retailer-customer relationship. "BFresh combines freshness, convenience, and value," says Suzi Robinson, Fresh Formats spokeswoman, Canton, MA. "Our stores feature a large kitchen area and fresh meals made from scratch to appeal to younger shoppers."

Chelsea Gross, analyst, RetailNet Group, Waltham, MA, notes that because reinven-

tion is capital-intensive, a growing number of retailers use small format to identify trends and experiment with retail concepts before bringing them to larger stores.

The marketplace is likely to become more crowded. In 2015, German-based discounter Lidl established its U.S. headquarters in Virginia and broke ground for construction of regional offices and a distribution center in North Carolina.

"We are preparing to launch in the U.S. no later than 2018, with a preferred site layout of approximately 36,000 square feet," says Will Harwood, Lidl U.S. spokesman, Arlington, VA. "Lidl promises consumers the highest quality produce and other products at the lowest possible prices."

From Suburbs To Cities

Small format retailers increasingly are responding to the need for fresher foods in urban centers. "Smaller format retailers are in a position to better serve shoppers who have small kitchens and limited transportation options," explains Bill Drake, director of



Grocery Outlet operates with limited SKUs and a philosophy based on deep discounting.

INTERNET SHOPPING — FRIEND OR FOE TO SMALL FORMAT?

The growing popularity of online grocery purchases is changing the shopper-supermarket relationship. Because Internet retailers excel in non-perishables, shoppers can purchase most of their staples and bulk items online, and then fill in with fresh items from the market. Small format retailers typically dedicate a larger percentage of the store to fresh items and less space to traditional center-of-the-store grocery items.

The Internet does pose a threat to small format retailers. In a 2015 A.T. Kearney report, "Capturing the Online Grocery Opportunity," two-thirds of respondents said they would buy more groceries online if quality and freshness could be guaranteed.

Some small format retailers are marrying in-store with online. "E-commerce is available for Everything Fresh and in development for BFresh," says Suzi Robinson, Fresh Formats spokeswoman, Canton, MA.

"Sprouts is currently testing online shopping," says Diego Romero, corporate communications manager, Sprouts Farmers Market, Phoenix. "For one of our Southern California stores, we have an exclusive relationship with Amazon Prime Now. Shoppers can use the Prime Now app to choose from 4,000 fresh, natural and organic Sprouts items. Their order gets delivered within two hours free of charge or within one hour for a small fee."

Delivery logistics foster innovation and offer opportunities. "Whole Foods partners with Instacart as its logistics intermediary. The Instacart driver calls the customer from the store to arrange pick-up and drop off; and Amazon Locker currently partners with 7-Eleven as a delivery location in urban centers," says Chelsea Gross, analyst, RetailNet Group, Waltham, MA. "Some small format retailers are incorporating pick-up centers. Target Express click-and-collect enables shoppers to order online and then pick up their order in a designated section of the store. This offers an opportunity to shop for fresh items when getting their order."

"The big question is what effect Internet shopping will have on small format retailers," notes Bill Drake, director of Executive Education, Food Industry Management Program, Cornell University, Ithaca, NY. "E-commerce is making the biggest inroads in urban markets, where consumers do not hesitate to buy fresh produce, dairy, and meat online. Internet retailers are developing ways to communicate freshness by tagging online produce items with stars based on how good they are." Drake predicts e-commerce will not capture more than 6 to 7 percent of the market, because consumers continue to be interested in the food experience. **pb**

(TOP AND BOTTOM) PHOTOS COURTESY OF SPROUTS FARMERS MARKET



Sprouts was an early adaptor to the fresh and quality narrative to build community loyalty.



Brothers Marketplace's success is in prepared and fresh-cut produce options.

Executive Education, Food Industry Management Program, Cornell University, Ithaca, NY. "Furthermore, urban areas have limited real estate availability, so it's hard to build large stores."

In December 2015, H-E-B opened a new 12,000-square-foot store in downtown San Antonio, where fresh produce and quick meal options had been lacking. Phoenix-based retailer Sprouts Farmers Market increasingly is opening stores in urban centers, most recently near Atlanta.

"Roche Bros. opened a Boston store in April 2015, the first full-service grocery store in that neighborhood," says Roche's Kowaloff. "This location caters to urban customers without cars who make more frequent trips and purchase fewer items at a time."

Cut fruit, fresh-made smoothies, and ready-to-cook, washed, peeled, chopped vegetables are popular in Roche's Boston store, typical of the types of foods sought by Millennials who are populating urban areas. "Millennials find traditional supermarkets to be boring and full of products they find unhealthy," explains David Livingston, president of consulting firm, Milwaukee, WI-based DJL Supermarket Location Research.

"Wal-Mart is also making a push into urban areas," says Euromonitor's Barrett. "It's the only way for the company to get into larger

cities that don't have space for the true big box store."

Competing On Freshness First

"Sprouts was ahead of the trend by creating a narrative around freshness and quality, and used that narrative to build and support a community of loyal, mostly higher-income customers," says Euromonitor's Barrett. "The net result is sizable compound annual growth, even though dollar sales growth lags behind Trader Joe's and Aldi."

"We target the everyday shopper," says Diego Romero, corporate communications manager, Sprouts Farmers Market, Phoenix. "Everyone wants fresh, so we have a wide selection of everything, including specialty and seasonal. If we can get more fresh items, we will sell more fresh. If we can get more local items, we will sell more local. We might even buy from individual growers." Romero adds that Sprouts leads with produce at the heart of the store, taking up about 15 percent of the floor space and priced 20 to 25 percent below supermarkets. Sprouts shoppers can see and smell the produce as soon as they walk into the store.

"The stores have a farmers market appeal — they're aesthetically pleasing, and produce sets the tone," notes RetailNet's Gross. "Sprouts uses fresh, well-priced produce as a traffic driver to move consumers to higher margin goods in other sections of the store."

Fresh Formats also competes on fresh. "We built the format and offerings at BFresh and Everything Fresh to appeal to foodies who have healthy foods top-of-mind," says Robinson of Fresh Formats. "We're really happy to see a wide range of shoppers and demographics. Fresh is appealing to all. Fresh Formats shoppers can find everything they need in fresh produce." Reinforcing its fresh message, Fresh Formats avoids stocking non-fresh items such as trail mix and dressings in its produce departments.

Convenience Is King

"Small format retailers satisfy the American consumer's insatiable appetite for convenience," says Cornell's Drake. "Small format stores are where consumers are — close to population centers."

Millennial shoppers assemble more than cook, so small format retailers market foods that simplify meal preparation. "Our customers are looking for 'freshvenience' in produce," notes Jessica Winship, perishable merchandiser, Brothers Marketplace, Medfield, MA. "They want their fresh produce chopped, cut, shaved, ribboned, or spiralized. We stock items such

as butternut squash ribbons, shaved Brussels sprouts, sliced beets, and chopped cauliflower."

Small format shoppers also expect to find fresh-cut fruits and vegetables. Chains such as Sprouts aim to reduce work for the consumer by offering more grab-and-go produce. The Fresh Formats stores feature both popular cut fruits and vegetables and more unique offerings such as peeled clementines, pomegranate arils, and jackfruit segments.

Grower/shippers are responding to the consumer's need for convenience. "Market Fresh added convenience-oriented variations to our packaging that are well-received by both retailers and consumers," explains Kaylyn Bender, marketing manager, Market Fresh Produce, Nixa, MO. "Items such as Tomato Tots, two-pack peppers in all colors, two-pack zucchini and yellow squash, and packaged green beans are growing in sales. These enable retailers to carry fewer options for the same produce item, cutting down shelf space and reducing waste."

Discounters Continue To Dominate

Cornell's Drake predicts the discount sector will dominate small format, with rapid growth of Aldi and the expected market entry of Lidl. "We will have thousands more discount stores in the next decade, with Aldi in particular expanding and doing fabulously. Its fresh produce department is attracting people to the stores."

(TOP AND BOTTOM) PHOTOS COURTESY OF MARKET FRESH



Nixa, MO-based supplier, Market Fresh, added convenience-oriented variations to its packaging for small-format customers.



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U.S.-based Grocery Outlet Inc., Emeryville, CA, a small, limited-SKU, local discount retail store with 235 independently owned stores in California, Oregon, Washington, Idaho, Nevada and Pennsylvania, took over a number of former Fresh & Easy locations. The retailer's philosophy is based on deep discounting through a combination of "Every Day Fair Pricing" and "Fresh Bargain" buys.

"For example, we partner with grower/shippers to help them move whatever size and grade produce they need to move fast," explains Scot Olson, director, produce and floral for Grocery Outlet. "This helps the grower, and in return, we get better pricing to pass onto our customers."

Private-label cuts costs, enabling retailers to reduce prices. "Trader Joe's and Aldi grew sales by relying on private label to keep costs low," explains Barrett of Euromonitor. "Private label store brands give retailers more leverage on pricing. If the retailer doesn't like the pricing of a name-brand product, the store can replace it with its own private label."

An Outlet For Organic

"Trader Joe's has grown its organic section at a price point that's about as cheap as you can get," says Barrett. "Customers can buy organic without breaking the bank, and also enjoy the whole Trader Joe's package of healthy, quirky

POND-HOPPING FOR PREDICTIONS

What is the future of small format retailers in the U.S.? It may be instructive to look toward the U.K., where discounters Aldi and Lidl are well established. In a December 2015 presentation at the fifth Annual Global Trade Symposium at the New York Produce Show and Conference, Simon Martin, sales and marketing director, QV Foods Group, Spalding, U.K., noted Aldi and Lidl exhibit strong growth, forcing large retailers to cut prices in order to compete. Still, large stores face declining sales and market share and are closing locations. He also reported fresh sales are losing share to prepared meals and meal solutions.

Pick-up and delivery options are likely to change. "In areas with a high percentage of car ownership, stores may replicate the drive-through markets popular in France," predicts Chelsea Gross, analyst, RetailNet Group, Waltham, MA. "Some drive-through locales allow shoppers to examine the produce they order online before buying it." Gross also expects home delivery to continue to grow, as long as quality matches consumer expectations.

American shoppers differ from European shoppers, however, and a successful European small-format retailer must meet the needs of the American shopper. Among the factors attributed to the failure of Tesco's Fresh & Easy are packaged produce options, unappealing store format, a product mix that didn't meet shopper needs, and undesirable locations.

"Fresh & Easy couldn't have picked worse locations," observes David Livingston, president of consulting firm, Milwaukee, WI-based DJL Supermarket Location Research. "The priority was to open a lot of stores anywhere instead of opening just in

good locations. The types of locations that work in Europe don't work in the U.S."

The *Perishable Pundit* and PRODUCE BUSINESS editor-in-chief Jim Prevor enumerated additional reasons for the failure of Fresh & Easy in a January 2013 *Perishable Pundit* article. He said the chain launched during a difficult economy and Americans were not yet ready for a small format retailer. Fresh & Easy was destined to lose money whether it opened stores quickly in sub-par locations or opened them slowly because of its large capital investment. Parent company Tesco stocked stores with its unknown private label products. All stores, whether in affluent or low-income areas, stocked the same product assortment. In produce, large supermarket chains offered lower prices than did Fresh & Easy.

"Americans have different demands regarding fresh," says Bill Drake, director of Executive Education, Food Industry Management Program, Cornell University, Ithaca, NY. "Europeans are ahead of us with prepared and semi-prepared foods, and with pre-packaged ingredients. Europeans are more accepting of discount formats, as evidenced by Aldi and Lidl recently obtaining 10 percent of market share in the U.K. The U.S. also differs in its vendor-retailer relationships for supply and pricing."

"Small format stores are not likely to be as popular here, because we don't have the population density and European mindset for daily shopping," observes Dick Spezzano, president, Spezzano Consulting Service, Inc., Monrovia, CA. "In Europe, store items are so fresh that they run out daily. Americans expect a fully stocked store at 10 p.m. and might not tolerate low supplies if they shop late at night."

pb

food, local tastes, small batch, and uniqueness.”

At Brothers Marketplace, fresh means local and organic. “Local farm-to-table produce is growing and will continue to grow in 2016, and organic is here to stay,” says Brothers Marketplace’s Winship. “Brothers Marketplace is fortunate to have local farms that supply organic produce. We also have strong and lasting relationships with community farmers. Some farms even plant certain crops for just our stores.”

Organic is also a growing segment for discounters, notes Olson of Grocery Outlet, who explains shoppers on a tight budget still want to eat healthfully and live a healthier life.

“We market our organic produce under the umbrella of ‘NOSH,’ which stands for Natural Organic Specialty Healthy. This company initiative ties organic produce with other natural and healthy choices throughout the store. Even though we are a discount retailer, we still carry quality healthy products.”

Small Format Engages Employees

Small format stores, by nature of a more intimate size, encourage interaction between store employees and customers. An online review of one retailer commented: “Clearly

[the store] has gone out of its way to find excellent employees who genuinely understand good customer service. They’re engaging and friendly.”

Brothers Marketplace educates its associates to answer a growing number of customer questions about their produce, where it is grown, and how to use it.

Sprouts team members promote fun fruits and vegetables, says Romero from Sprouts, and will cut them open for shoppers and children who have never seen or tried them.

“Too much choice is overwhelming to shoppers; we call it tyranny of choice,” says Drake, of Cornell University. So although small formats offer less variety, “consumers appreciate when retailers curate choices for them.”

Brothers Marketplace is proud of its curated selection of specialty items. “We feature unique and trending produce items that other supermarkets don’t have, including heirloom local apples, baby-colored cauliflower, Tongue of Fire beans, and piri piri peppers,” says Winship.

Success In The U.S.

Small format retailers may be here to stay, in part because of the sharing economy, notes Gross. “Large markets and big box are

dependent on car ownership, which is going down among some segments. Retailers are building new networks in small format. They can’t build big and expect the same growth. Big box retailers and large grocery chains are likely to continue closing and consolidating. They can’t grow if they don’t have e-commerce and small format.”

Small format success, however, is far from guaranteed. “For the most part, conventional supermarket entrants are not doing well, because it’s hard to compete with industry leaders like Trader Joe’s,” observes Livingston of DJL Supermarket Location Research.

Brands can’t expect to attract shoppers based on large-chain reputation. “Small format retailers need to build trust,” says Cornell’s Drake. “Aldi, Trader Joe’s, Lidl, and Save-A-Lot occupy a unique niche. For others, a larger format brand reputation may not translate into a smaller store, and small stores don’t run on the same economics as larger stores.”

Catering just to Millennials leaves others unserved. Drake notes, “changing demographics will impact small format. The American consumer population is aging rapidly. Retailers need to modify what they do to make it easier for older adults to shop.” **pb**



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Spring is a prime season for selling produce and a good time to rethink and update fruit and vegetable displays and offerings. Timing, placement and promotions are key factors in highlighting spring produce, keeping it top of mind for customers and raising register rings.

Lincoln, NE-based B&R Stores, an 18-store chain with four retail concepts located throughout Nebraska and Iowa, stays on top of spring items by moving berries up front, expanding displays and placing asparagus in high-traffic areas highlighted with eye-catching signage.

“One of the things we do in late spring or early summer, typically around May, is department resets,” says Randy Bohaty, B&R’s produce director. “As the season progresses and more items come into play, we adjust the department to place any new seasonal items

up front. This helps introduce these foods to customers, before we work them back onto the shelf.”

TIMELINES AND CHALLENGES

Though spring is a key season for a variety of fruits and vegetables, availability due to weather concerns is perhaps the biggest challenge early on. Crops could mature sooner or

later and be smaller or larger than anticipated, depending on Mother Nature.

“Ongoing planning and communication between the retailer and supplier can help minimize the overall impact on spring produce sales,” says Christine Christian, senior vice president of the Watsonville, CA-based California Strawberry Commission.

Strawberries are historically the first fruit

The Spring Selling Season

Effective marketing and merchandising methods to boost revenues.

BY LISA WHITE

**WORKING HARD INTO
THE NEW YEAR.**



**FROM OUR TANIMURA & ANTLE FAMILY,
HAPPY 2016.**

“A mix of feature ads and in-store price reductions is another effective method for driving incremental volume.”

— Christine Christian, California Strawberry Commission

of spring and heavily promoted for Valentine’s Day, Easter and Mother’s Day. Other spring holidays and opportunities include Passover, National Nutrition Month in March, Fresh Celery Month in April, and National Asparagus and Strawberry months in May.

Another marketing opportunity is spring youth sports, which typically start in March. Having convenient grab-and-go items in the produce department for team practices and games can create a destination for young athletes and their families.

As for timing with these products, it is much more variable than in the past. For example, with berries now routinely sourced offshore, the seasons are more intermingled for these fruits.

Well Pict Berries in Watsonville, CA, starts preparing its spring crop the last weekend of December, but because January is traditionally rainy in California, availability is a wavering factor.

“We generally start walking the fields in late December,” says Jim Grabowski, Well Pict’s director of marketing. “We always hope for a good year, but Mother Nature can throw a curve ball, and spring can be the most volatile time of the year weather-wise.”

Also, weather concerns across the country can impact availability. For example, last year’s late spring snows in the Midwest and Northeast made for difficult traveling conditions.

As for timelines with these products, the California Strawberry Commission encourages retailers to develop merchandising plans with suppliers that begin pre-Easter week and are maintained through the start of the Memorial Day holiday.

“Generally speaking, retailers waited for spring to promote California strawberries,” says Chuck Sweeney, director of category development at Driscoll’s Strawberry Associates, based in Watsonville, CA.

The company encourages retailers to broaden strawberry displays at the end of March through early April as well as putting the fruit on ad during this period. These displays can be augmented with raspberries, as well.

“Retailers are about growing sales, and produce departments will look to what was



promoted last year and cycle in those items,” says Sweeney. “Also, it’s important to consider that the organic side brings in a different demographic.”

One issue with the unpredictability of spring crops is managing pre-paid ads. “Since print ads are developed weeks or months earlier, one way to manage inconsistent availability is to place ads only during peak seasons and then support this with social media, POS and website marketing during the shoulders of the season, which can more easily expand and contract as needed,” says Elizabeth Pivonka, president and chief executive of Produce for Better Health Foundation, based in Hockessin, DE.

It can also be challenging for retailers to educate customers on the best items available during spring. For this reason, “it is important for produce teams to be educated about what’s in season so they can show their customers,” says Trish James, vice president for Produce for Kids in Orlando, FL, and former produce category manager for ACME Markets. “Sampling and recipes will help increase sales of these items.”

Retailers should start marketing spring produce immediately after Valentine’s Day, paying attention to hot buys that may be the start of the crop to introduce customers to the product, recommends James. Getting ahead of the items and anticipating the trends for the season should be the goal.

Unlike strawberries, the Vidalia sweet onion season lasts through the summer, so spring marketing of the product transitions easily into the following season. Peak season

for Vidalia sweet onions is typically during the months of May and June.

“The first day of Vidalia season is April 25 this year, and it can be a holiday in itself,” says John Shuman, president and director of sales for Shuman Produce, headquartered in Reidsville, GA.

Vidalia onion marketing should include Cinco de Mayo as an opportunity for cross-promotions that include avocados, tomatoes and cheese. Also, Memorial Day grilling displays can include building meal solutions with sweet onions, beef, chicken and additional produce items to increase rings at the register.

“Memorial Day is a key holiday for Vidalia onions — especially, since these products are versatile on the grill or in salads,” says Susan A. Waters, executive director of the Vidalia Onion Committee in Vidalia, GA.

The Vidalia Onion Committee recommends retailers include information on the merchandising display to let consumers know that these items are fresh from the farm and the Vidalia season is in full swing.

MARKETING AND PROMOTIONS

Targeted marketing and promotions are effective in not only making consumers aware of the produce items available in spring, but also encouraging a variety of uses as well as trial of new items.

Dorothy Lane Market, which has three upscale supermarkets in Ohio, promotes local spring produce, which include leafy lettuce, then greens, a little bit of berries and tomatoes. “Growers get some of these items started in hot houses,” says Michelle Mayhill, the market’s produce director. “We really support our local growers from spring to the end of fall — even part of winter with turnips.”

Retailers also can maximize spring produce sales by carrying an assortment of packaging sizes for both conventional and organic produce to meet growing consumer demand.

In terms of strawberries, the 1-pound clamshell represents nearly 68 percent of the category volume, but growth in recent years has been driven by 2-pound packages, which show growing sales of 7.9 percent and comprise nearly 24 percent of category volume, according to the California Strawberry Commission. In addition, 1-pound organic packages account for 4.5 percent of volume and increasing sales of 5 percent.

“A mix of feature ads and in-store price reductions is another effective method for driving incremental volume,” says Christian of the California Strawberry Commission.

Although seasonal items will be front and

center in the produce department, suppliers say retailers should go a step further and highlight specialty items that may be in the market for a short period of time during the spring, like Pixie Tangerines and Meyer Lemons.

“Touting these are in season and at peak is a great way to market these items,” says James. For the Produce for Kids’ consumer audience, the organization recently started a monthly “What’s in Season” shareable graphic and blog post.

“There are creative things retailers can do in the produce department similar to this initiative,” says James. “This includes pricing accordingly and offering a sampling of items. Front-table merchandising, sampling and educating the customer about these items will lead to incremental sales.”

Utilizing marketing displays provided by produce suppliers, along with highlighting products in weekly circulars or magazines, making recipe cards available, and using social media, can drive the message home. The Ocean Mist Farms Artichoke Club has more than 60,000 members nationwide who are provided with recipe ideas, how-to-videos and regionalized notifications about where to find artichokes on sale.

Spring is the peak season for fresh artichokes grown in Castroville, CA, the artichoke capital of the U.S., located along the coastal region of the Monterey Bay Peninsula. The family farmers of Ocean Mist Farms have been growing artichokes for more than 90 years.

“The crop generally starts peaking on the jumbo to large sizes in March, while May is the peak for the foodie favorite size: the baby artichoke,” says Diana McClean, director of marketing for Ocean Mist Farms. “Traditionally, the larger sizes peak at the front end in March and April, with the smaller sizes peaking in April and May.”

To successfully market sweet onions — Vidalias in particular during the spring months — Shuman encourages retailers to call attention to the start of the season during the last week of April with signage and colorful, abundant displays.

“We suggest utilizing the power of sweet onions in cross-merchandising to drive the sales of additional items inside the produce department as well as common companions in the meat department, like fresh beef and chicken,” says Shuman.

INNOVATIVE DISPLAY IDEAS

The secret to attracting added attention with spring produce is creating unique, eye-catching displays. With the bounty of

“If you stay the same, you become stale, so we don’t set displays the same way every year. We focus on quality and the uniqueness of items, rather than price.”

— Michelle Mayhill, Dorothy Lane Market

products and array of colors, spring may be the easiest season to accomplish this.

Dorothy Lane Market strives to push creative ideas forward with its spring displays. “If you stay the same, you become stale, so we don’t set displays the same way every year,” says Mayhill. “We focus on quality and the uniqueness of items, rather than price.”

The California Strawberry Commission found creating berry destination displays located at the front of the produce department increases strawberry category sales and total produce sales. These displays should contain all package sizes, segments and complementary items.

“Items, such as dessert shells, crepes, whipped cream and dips, should be cross-merchandised on primary displays to encourage impulse purchases,” says Christian. “Maintaining secondary displays in bakery and dairy departments with yogurt and salad bars also helps drive sales.”

Due to availability, spring berry programs (or patches) tend to expand and contract like accordions during the season. For example, raspberries come in April and get stronger in May — generally dominate the larger displays.

“As for allocation, half of the berry patch is typically strawberries, 10 to 15 percent are

blueberries, 10 percent are raspberries, and the rest are blackberries,” says Sweeney of Driscoll’s.

He recommends retailers set up full berry patches, rather than just including one or two berry types. These items should be consolidated into one location, highlighted with attractive signage, and cross-merchandised with complementary products.

Creating solutions or recipes with a variety of items also is an effective way to cross-merchandise. “Retailers should start with an easy, simple recipe including ingredients focused on fresh, seasonal produce,” says James of Produce for Kids. “Then the recipe should be built with items from the rest of the store and a display — making it easy for customers to grab-and-go.”

Colorful, impactful displays should include color breaks; be stocked, culled and clean; and demo a full meal or snack. “Displays with a relevant message are effective,” says Scott Seddon, brand manager at Pero Family Farms, based in Delray Beach, FL. “Celebrity promotions also work well.”

Endcaps help grab attention when customers walk in. These need to be large and include complementary items.

The Vidalia Onion Committee offers high graphic bins for retailers to create both



a featured and/or secondary display. The Committee also recommends retailers cross-merchandise these onions with related items, such as tomatoes and avocados.

“Research shows 67 percent of shoppers purchased Vidalia onions individually in bulk displays, but 48 percent purchased Vidalia onions in 5-pound bags or less,” says Waters. “Therefore, we recommend including both bulk and bagged onions in the merchandising display to appeal to a range of consumer preferences.”

Since spring and summertime are the peak season for Vidalia onions, it also is recommended that retailers create a seasonal destination display in the produce department and cross-merchandise Vidalias with charcoal and other grilling accessories, hamburger rolls and picnic items, especially as the weather gets warmer in the spring and around the Memorial Day holiday.

“We suggest placing sweet onions in the center of the produce department for maximum effect,” says Shuman. “Secondary displays can provide an advantage during holiday promotions and peak season to accommodate incremental sales increases during those periods.”



Research the company recently conducted with Chicago-based Nielsen Perishables Group revealed a variety of impactful cross-merchandising opportunities for sweet onions and related products within the produce department. Sweet onions drive sales of these products and dramatically increase the likelihood of purchase amongst consumers who already have sweet onions in their baskets.

“We discovered that consumers with sweet onions in their carts are more likely to purchase

other produce, such as peppers, tomatoes, mushrooms and bagged salad as well as fresh meats, such as beef and chicken,” says Shuman.

“Retailers should consider displays outside of the produce department to maximize sales during the spring months when grilling season begins,” says Shuman. “Vidalia sweet onions make the perfect pairing for burgers, sausage and chicken on the grill, and research shows merchandising them together increases sales of both products.”

pb

English Garden

Romantic florals continue to be a strong trend—from Marchesa's pastel wedding gowns and Burberry's pastel runway to Michael Kors' full floral skirts, English Garden shows no signs of slowing down.

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The Expanding World Of Protected Produce

Protected agriculture is a broad term applied to growing in a controlled environment and encompasses everything from “hard” greenhouses, to shade houses, to numerous variable structures in between. Regardless of the construction, benefits reaped from all forms of protected production continue to explode in the market.

“The shift to more products grown in a protected environment is important to all customers based on consistency of supply, taste and minimized use of harmful sprays,” says Mike Reed, chief business development officer for SunSelect Produce in Aldergrove, British Columbia, Canada. “Over the past two decades, we saw substantial growth in volume, the diversification of product mix and year-round supply.”

Redner’s Markets in Reading, PA, reports increased availability of protected ag products favors its business. “The rise of volumes in protected ag gives us advantages in quality and price,” says Richard Stiles, director of produce and floral. “We also capitalize on local greenhouse products such as lettuces.”

Bristol Farms in Carson, CA, with 15 stores, attributes growth to consistency in quality and reliable volumes. “This allows us to market more competitively within our

The broadening landscape of greenhouse produce offers buyers and marketers the next wave to expanding production.

BY JODEAN ROBBINS

marketplace and offer our customer base exceptional unique itemization,” says Raul Gallegos, senior director of produce, meat, seafood, sushi and floral.

One major factor of protected ag is consistency. “Product grown in a protected environment is more consistent in quality and supply,” explains Fried De Schouwer, president of Greenhouse Produce Company in Vero Beach, FL. “The product is harvested by hand at a mature stage, so product is more flavorful.”

The production method fulfills multiple buyer demands. “The protected ag environment allows grocers to offer locally produced, high quality, premium product, all while supporting sustainable growing practices,” says Ryan Mazzuca, hydroponic commodity manager for Tanimura & Antle in Salinas, CA.

Given increasing scrutiny on where and how produce is grown, protected ag marketers count on this advantage as well. “In recent years, food safety has become a major concern for your average consumer,” explains Alfredo Diaz Belmontes, chief executive of AMHPAC

(the Mexican protected ag growers association) in Culiacan, Sinaloa, Mexico. “Protected agriculture yields high-quality produce grown in an environment safeguarding the product from contaminants and pathogens.”

Stiles notes Redner’s customers favor the notion of products grown in greenhouses. “They perceive protected production as having a better handle on growing conditions and better control of contamination, insects and disease,” he relates.

Hollandia Produce L.P. in Carpinteria, CA, promotes the high level of transparency for its hydroponic greenhouse system. “It gives our retailers peace of mind,” shares Renee Cooper, marketing manager. “Produce departments appreciate that protected ag typically delivers longer lasting, better protected, cleaner, and more uniform produce.”

EVOLUTION AND EXPANSION

Protected production evolved significantly and creatively in the past two decades. “What started as greenhouse imports from Europe

20 years ago — and then moved to Canadian glasshouses — shifted to major Mexican operations under shade and greenhouse schemes,” says De Schouwer. “As the production methods evolved, so have volumes, pricing and variety.”

A few decades ago, less than 2 percent of all fresh tomatoes sold at retail in the U.S. were greenhouse grown, according to Doug Kling, senior vice president and chief marketing officer for Village Farms in Delta, British Columbia, Canada. “Today, greenhouse tomatoes at retail represent more than 60 percent of the total revenue and more than 50 percent of the volume according to the most recent Nielsen data,” he says.

In the forefront of the hothouse tomato trend, Canada still holds market share, but it faces increasing competition. In 2014, Canada’s greenhouse sector, comprising tomatoes, cucumbers, peppers and lettuce, rose by 1.4 percent in harvested area over the previous year as reported in Agriculture and Agri-Food Canada government statistics. Production grew from approximately 586,000 tons in 2013 to 591,000 tons in 2014. “Today, Mexico complements Canada but will eventually surpass it,” cautions De Schouwer.

Mexico currently accounts for significant volume in protected ag products, particularly tomatoes and peppers according to AMHPAC. “Volume skyrocketed since the development

of protected agriculture technologies in Mexico,” says Guillermo Martinez, general manager at Kingdom Fresh in Donna, TX.

Mexico now ranks seventh among countries with the most protected surface and has 23,251 hectares as reported by Mexico’s Secretary of Agriculture (SAGARPA) in 2015. “The average annual growth of protected agriculture in Mexico has been 1,500 hectares for the past 15 years,” says Diaz Belmontes. “We estimate that the value of the installed infrastructure is more than \$3.5 billion dollars.”

According to AMHPAC, one of the most notable changes in Mexican protected agriculture is investment in greenhouses with automation and climate control technologies in the Central Region of the country as producers look to take full advantage of Mexico’s favorable location. “The transition to Mexico is not as much about cold weather as it is about day-length and sunlight,” explains Alejandro Canelos, chief executive at Apache Produce Imports in Nogales, AZ. “Being closer to the equator gives Mexico greater ability to grow year-round.”

A NEW FOCUS

Initially, protected ag blossomed, because it brought new products to consumers at times of the year when those products weren’t available, but the motivation is changing. “Now,

it evolved to a greater focus on sustainable production and resource conservation,” says Paul Lightfoot, chief executive of BrightFarms, Inc. in New York City. “Local protected ag production is a game changer, bringing a new set of benefits to the equation.”

Hollandia reports seeing a number of new entrants in the category recently. “We’ve seen more indoor vertical gardens or rooftop greenhouses popping up inside retailers or in close proximity,” explains Cooper. “In terms of marketability, I think we’ll continue to see evolutionary and revolutionary changes continue in the scope of how protected ag is used to support retail growth.”

Technological advances support development of these unique schemes. “As greenhouse technology improved, more builds have been occurring in strategic locations and flavor has truly come to the forefront,” reports Jim DiMenna, president and chief executive at Red Sun Farms in Kingsville, Ontario, Canada.

Village Farms links technology to production impact. “It enables greenhouse growers to harvest in challenging climates and allows for better yields, safer growing methods, indoor and high-tech conditions for workers, as well as highly sustainable practices regarding water usage and safety,” states Kling.

BrightFarms currently has three greenhouse operations in three states (Pennsylvania,

■ PROTECTED PRODUCE: PREMIUM OR MAINSTREAM?

By Jodean Robbins

Debate lingers over the return on investment in the marketplace for high-technology production methods, and whether higher pricing should be the result. Jim DiMenna, president and chief executive at Red Sun Farms in Kingsville, Ontario, Canada, notes a high-tech greenhouse grower has higher costs of production than other field-grown and low/mid tech operators. “We feel the significant investment in our infrastructure, stringent food safety protocols, integrated pest management programs, and other aspects related to greenhouse production should command a premium in the marketplace when compared to other producers who simply don’t face the production costs we do,” he says.

Some protected ag proponents recommend focusing on the results rather than the production method. “The product itself should speak for its quality, and the market should price it accordingly,” advises Alejandro Canelos, chief executive at Apache Pro-

duce Imports in Nogales, AZ. “It shouldn’t be about the money spent on assets. The market doesn’t care about how much you spent on assets; it cares about what you produce. In reality, there generally is a premium for protected ag products, because they are better quality. The premium shouldn’t be because of production method; it should be about final quality.”

In the living lettuce and leafy greens categories where Hollandia Produce L.P. of Carpinteria, CA, competes, its products do command a slightly higher price point. “Our customers are willing to pay extra for the added-value our produce delivers,” says Renee Cooper, marketing manager. “In the long run, they’re saving with longer shelf-life, fewer labor inputs, better quality and consistently available product.”

AMHPAC in Culiacan, Sinaloa, Mexico, reports an analysis of USDA’s Agricultural Marketing Service (AMS) prices shows a slight increase in Shipping Point prices for

produce reported as protected agriculture. “So, importers sometimes do pay a little more for protected produce,” says Alfredo Diaz Belmontes, AMHPAC chief executive. “But that price increase is based on the higher quality and the delegated food safety certifications of those products.”

Diaz Belmontes further reports terminal market prices and retail prices reflect an additional price difference between protected and open-field produce. “This could be attributed to the marketing strategies distributors and supermarkets use to differentiate the best quality produce,” he speculates.

Buyers are encouraged to recognize the unique proposition of protected product. “There is constant production year-round but higher costs of production,” says Guillermo Martinez, general manager at Kingdom Fresh in Donna, TX. “This must be taken into consideration when establishing contracts or dealing with growers.” **pb**

Illinois and Virginia) totaling 366,000 square feet. The company emphasizes the importance of energy improvement technologies. “This is an important part of the developing trend in greenhouse production,” says Lightfoot. “For example, our Pennsylvania greenhouse uses all wind energy.”

Tanimura & Antle operates 16.5 acres of hydroponic greenhouses producing Boston lettuce and a handpicked selection of artisan head lettuces. “Through additional investment, infrastructure, and overall innovations, Tanimura & Antle’s farms will increase our placement in the category by 35 percent this year,” reports Mazzuca.

In Irvine, CA, Urban Produce’s patented High Density Vertical Growing System has the ability to produce 1 million pounds of produce annually. “Urban Produce grows 16 acres of organic living produce on one eighth an acre while using 93 percent less water than a traditional farm producing a similar yield,” explains Danielle Horton, marketing director. “Our flagship farm began growing micro-greens, but we expanded our product line to offer beets, radishes, and other root vegetables. Within the next few years, we plan to build five more growing units in highly urbanized areas. Our other growing systems will offer larger format produce — including chilis and berries.”

PUSHING INNOVATION

As volume in protected ag has grown, so has innovation in variety. “Products shifted from traditional beefsteak tomatoes, bell peppers and English cucumbers to specialty tomatoes including cocktails, grapes, and cherries,” says SunSelect’s Reed. “Mini and long sweet peppers, mini and cocktail cucumbers, lettuce, eggplants, and living herbs are just a few of the additions to the protected category over the past 20 years.”

Marketers are also upping the ante with packaging. “We’re seeing packaging featuring usage of products for snacking and cooking in new appealing ways for consumers,” reports Kling of Village Farms.

The Oppenheimer Group (Oppy) in Vancouver, British Columbia, Canada, believes greenhouse vegetables lend themselves well to packaging innovations. “Top-seal clamshells, pouch bags, and other delivery vehicles enable retailers to differentiate on the shelf,” explains Karin Gardner, marketing communications manager. “We’re particularly excited about the new Outrageously Fresh snacking line from Divemex and SunSelect.”

SunSelect invested significant effort in developing innovative packaging solutions

to drive additional sales and consumption. “We constantly look to bring new products and packages to market each year as well as improve our current offering,” explains Reed. “Our new Outrageously Fresh jar bags offer the consumer new colorful packaging with the goal of emphasizing the snack-ability of many of our products.”

Outrageously Fresh items encompass a variety of packaging, including top-sealed clamshells and the innovative “jar” bags. “In January, Oppy will bring mini cucumbers,

mini peppers and grape, cherry and gourmet medley tomatoes to market in the Outrageously Fresh mason ‘jar’ pack for the first time,” says Gardner. “The pack is very stable on the shelf, and capitalizes on the popularity of mason jars.”

Hollandia’s “Squiracle” clamshell-design packaging, which incorporates a square and circle, serves as a mini-greenhouse, extending shelf-life and protecting its produce from damage or contaminants. “We continue to evaluate packaging options to reduce our

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Chef B.   

carbon footprint and support our commitment to sustainability,” relates Cooper.

Marketing and consumer education play a key role in driving growth. “Differentiating protected ag products in the market using strategic packaging, marketing, and consumer awareness will increase the financial sustainability of indoor farming,” claims Mazzuca of Tanimura & Antle.

EXPANSIVE PROMOTIONS

Products produced in a controlled environment offer broad market potential. “There’s a greenhouse-grown item for every demographic out there,” says DiMenna of Red Sun Farms. “Great-tasting food shouldn’t be exclusive. We are very conscientious of this when developing our go-to-market strategies for each item we introduce.”

Retailers can promote broadly and throughout mainstream categories. “Merchandising was done previously as a separate category, because it was such a small percentage. But with today’s higher volume and variety, it doesn’t make sense to separate it,” suggests Apache’s Canelos. “The goal is to provide the best product out there in every category.”

The proven tool of cross-merchandising

holds true for protected ag products as well. “Place tomatoes with avocados or tomatoes and peppers near salads,” advises Reed of SunSelect. “With the addition of value-added clamshells and bags, the ability for out-of-section, endcap displays also increased sales.”

Hollandia does recommend particular displays to draw attention to special greenhouse products merchandised as such. “Create a refrigerated endcap or free-standing island for high-velocity impact,” suggests Cooper. “Establish a Protected Ag or Living Produce destination within the produce department.”

Urban Produce advocates using in-store representatives to share product samples and information with shoppers. “Educate them about what makes the product different,” says Horton. “When it comes to our product, we like to highlight what sets us apart — most importantly the fact that our product is living.”

TAPPING INTO SUSTAINABILITY

The unique social and environmental attributes of particular protected ag methods present opportunities for reaching today’s consumer. “Retailers can highlight the socially responsible working conditions with reasonable

wages and benefits,” suggests Kling of Village Farms. “Also, greenhouses conserve water by recycling it four to five times and using 84 to 86 percent less. Integrated pest management programs require limited or no use of pesticides versus other farming methods.”

BrightFarms recommends focusing on the local aspect of protected ag. “Promoting the fact that the product was produced within a certain amount of time or a few miles away is powerful,” says Lightfoot. “We talk about being a local producer first. The consumer doesn’t really think about whether the produce is protected. The consumer wakes up saying, ‘I want food that is fresh, consistent and safe.’”

Millennials, especially, represent a significant market for these messages. “Appealing to Millennials with relevant stories is essential for success in the next 10 years,” relays Lightfoot.

Redner’s Stiles concurs how Millennial interest in food sourcing presents opportunity for education in protected production. “They’re not as inclined to just pick whatever off the shelf,” he explains. “They’re looking for the backstory including environmental, food safety, sustainability and social responsibility considerations.” **pb**

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California MANDARINS RISE To The Top



Convenience and taste push this citrus from 'the Golden State' beyond most varieties.

BY BOB JOHNSON

Mandarins have climbed to the top of the fresh citrus category as the sweeter, easier to peel, kid-sized, less messy alternative. And all signs point toward continued double-digit growth of the popular varieties from Satsumas to Gold Nuggets harvested and shipped from California's Central Valley from November to March.

"Mandarins lead all citrus categories in dollar sales at retail, representing almost 37 percent of all citrus sales for the past year," says Joan Wickham, manager for advertising and public relations at Sunkist Growers, Valencia, CA, who says dollar sales are up 17 percent



TOP PHOTO COURTESY OF SUN PACIFIC
BOTTOM PHOTO COURTESY OF OAKACRE FARMS

over a year ago. "Mandarins also lead in pound sales, up just over 19 percent. Demand for this category continues to grow, so we are looking forward to another strong year in 2016."

THIS IS KIDS' STUFF

Two major California shippers contributed greatly to the rise of Mandarins with campaigns promoting their fruit as a sweet



snack or lunch-box item parents can feel good about feeding their children.

“Sun Pacific and Wonderful Citrus are spending millions of dollars promoting Cuties and Halos, and it’s been very effective,” says Miles Fraser-Jones, vice president of AMC Direct, Glassboro, NJ. “They are advertising for kids. They are targeting mothers with small kids looking for healthy snacks. The focus group is kids.”

The campaign, which began early this century, took Cuties to the top and was an immediate success.

“Sun Pacific launched the Cuties brand in the early 2000s, and from an early stage, we saw a quick growth in demand,” says Victoria Nuevo-Celeste, vice president for marketing at Sun Pacific, Pasadena, CA. “Cuties are a perfect snack for kids. They are sweet, seedless and easy to peel, loved by moms and kids alike.”

You can expect continuing prominent promotion of this healthy food that tastes as “sweet as candy.”

“Cuties is the fastest selling brand in the market,” says Nuevo-Celeste. “This year, Cuties is connecting with consumers by encouraging a swap of those inevitable candy cravings, especially during the holidays. Our marketing campaign, ‘Sweet as Candy,’ includes the catchy radio jingle ‘I want Cuties,’ which is our remake of the 1980’s Brit-Pop hit, ‘I want Candy’ on print, digital, social media, billboards and point-of-sale materials.”

In some cases, increasing Mandarin sales is almost as easy as the proverbial: “pile ‘em high, and watch ‘em fly.”

“We have a customer in Denver called H Mart,” says James Macek, president of Cooseman’s Denver, Denver, CO. “Their store is mainly an Asian outlet. The retailer stocks Mandarins, Clementines and tangerines. Product is merchandised on 200-case displays.”

Much of the citrus’ appeal is that they are a treat that is actually good for you and for



The 12-pound boxes of California seedless Satsuma Mandarins are best sellers at Dekalb Farmers Market in Decatur, GA.

“Our favorite and best-selling Mandarin is Satsuma with stem and leaves. I guess customers think it is fresher. Every year there is more demand for Mandarins, and we are expecting an increase in 2016.”

— Hyunsil Ahn Choung, Dekalb Farmers Market

your kids.

“Today, we have a very health-conscious society,” says Macek. “People are looking at what they eat and asking, ‘Is it good, and is it good for me?’”

“The rise in popularity of Mandarins follows along with consumer demand for healthy, convenient snacks,” says Sunkist’s Wickham. “Easy-to-peel and high in vitamin C, Mandarins fit the bill for healthy snacking.”

Shippers offer displays and packages to help retailers build visible, effective displays.

“Sunkist offers retailers multiple packaging and point-of-sale options to help retailers merchandise Mandarins to drive sales and educate consumers about specialty Mandarin varieties,” says Wickham.

The best way to display the fruit differs among the diverse Mandarin or Mandarin-like varieties.

“Clementines seems to do best in bags or little boxes, while the Satsumas are quite popular sold loose,” says Simcha Weinstein, director of marketing at Albert’s Organics, Swedesboro, NJ.

There is a visual appeal that can be helpful in moving the shinier-skinned varieties.

“The Clementines seem to do well for several reasons,” says Weinstein. “Their shiny skin has the initial eye appeal; and once shoppers open them, they are such a manageable piece of fruit. They peel with incredible ease, they are typically seedless, and they segment easily once peeled.”

With the popular Satsuma variety, large boxes sell particularly well in certain markets.

“The 12-pound boxes of Satsuma Mandarins are the best sellers,” says Hyunsil Ahn Choung, produce manager at Dekalb Farmers Market, Decatur, GA. “Our favorite and best-selling Mandarin is Satsuma with stem and leaves. I guess customers think it is fresher. Every year there is more demand for Mandarins, and we are expecting an increase in 2016.”

While Mandarins already rocketed to the top of the fresh citrus category, the days of double-digit growth continue.

“During Season 2013-14, Mandarins surpassed oranges by more than 20 percent, with the Mandarin category reaching more



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than \$1 billion in sales,” says Sun Pacific’s Nuevo-Celeste. “Demand for Mandarins continues to increase every year at a rate of 20 to 30 percent, and we certainly expect the same level of demand growth for the 2015-16 season, weather permitting.”

ORGANIC IS STILL STRONG

Organic Satsumas enjoyed early success in the produce sections of natural foods stores, and its unique look — while not quite pretty in any classical sense — it is still familiar and well received.

“The Satsumas have always done well — especially organic Satsumas,” says Weinstein. “Long before they were popular in conventional supermarkets, the Satsumas were a treat for natural-food-store shoppers. Their ‘loose’ skin has long been a favorite and their mild flavor has quite the appeal.”

Demand for the organic has been so strong for Homegrown Organic Farms of Porterville, CA, like many conventional growers, opted to plant or replant ground in Mandarins given the next opportunity.

“We have young Mandarin acreage in the ground that is just coming into production,” says Craig Morris, citrus category manager at Homegrown. “Demand is absolutely growing. This year, in particular, we saw tremendous demand for organic.”

“Mandarins are also trending in foodservice channels, with operators showcasing the versatility of easy-peelers in applications such as adult beverages, salads, desserts and seafood appetizers.”

— Joan Wickham, Sunkist Growers

Demand for organic Mandarins is so strong that supply has not yet come close to catching up.

“I would guess there is about a 30 percent premium for organic Mandarins,” says Morris. “The production could grow by another 30 to 40 percent without affecting returns.”

IT’S A CALIFORNIA THING

Many fresh Mandarins and tangerines grown in the country, like most of the fresh oranges, are shipped out of California. “The major source is California’s Central Valley,” says Choung of DeKalb Farmers Market. “I think the growth of Mandarins is at the expense of tangerines and oranges. When Mandarin sales were up, tangerine sales were a bit down.”

There is a blurring of the lines between Mandarins and tangerines, because both are smaller, sweeter, and easier to peel fresh citrus alternatives. The California Mandarin and tangerine varieties are both so popular they significantly impacted demand.

There are enough types of Mandarins suitable for California production that many growers planted numerous varieties that, when harvested in sequence, allow them to ship fresh fruit almost continuously during a five-month window.

Homegrown Organic Farms, for example, harvests the Satsuma, Clementine, W. Murcott, Tango and Gold Nugget varieties in that order, which lets them supply fresh Mandarins from

November to the middle of March with a brief hiatus in early January, according to Morris.

Growth of this new leader in fresh citrus has been staggering, but it has not yet reached its peak. “I think the Mandarins are still increasing in popularity,” says Jocelyn Carter-

Seto, general manager at Oak Acre Farms, Live Oak, CA. “The popularity of oranges, in general, has gone down. The demand is going to be there next year.”

We are still at the point that growers in California’s Central Valley find more Mandarins a profitable alternative. “Demand for Mandarins is increasing, but it’s not that hard to get them. At some point, the price will come down,” says Jim Marderosian, owner of Bee Sweet Citrus, Fowler, CA.

Many tree fruit and nut growers choose periods of droughts as the time to replant their older, less productive orchards, because the young trees need less water than mature trees the first few years.

When tens of thousands of acres of California citrus trees were replanted during the drought, much of the new acreage was in Mandarin trees that will begin producing even larger crops over the next few years.

“A lot of the new trees are Mandarins,” says Marderosian. “When they’re new, price drives it, and high production per acre. Some of the older citrus trees were only getting 15- to 20-bins-per-acre during the drought. Mandarins can handle the drought a little better. With the higher water costs, people look at crops that support less water.”

Bee Sweet replanted in Mandarins as part of building a portfolio of popular citrus items. “We at Bee Sweet still have a lot of Mandarins coming into production, but we’re diversified,” says Marderosian. “We also have a lot of the exotic oranges and some lemons.”

THE END IS NOT IN SIGHT

This market is extending to foodservice outlets as restaurants and other institutions are finding new uses for this sweet fruit.

“Mandarins are also trending in foodservice channels, with operators showcasing the versatility of easy-peelers in applications such as adult beverages, salads, desserts and seafood appetizers,” says Sunkist’s Wickham. “Clementines show a particularly strong increase on menus, with a nearly 40 percent spike over the past year, driven mainly by increased use in beverages.”



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Mandarins continue to grow in popularity because they are, in so many ways, a superior fruit. “Mandarins are portable; they are bite-sized; and they taste better,” says Carter.

Experts predict that next year will witness another record in Mandarin sales for easy-peeler varieties.

“We never sold as many Clementines and Mandarins as we did last summer,” says Fraser-Jones of AMC Direct.

There is some difference of opinion over the extent to which this growth in Mandarins is at

“We have great eye-catching display bins, high-graphic boxes and bags that complement our bright oranges.”

— Tracy Jones, Booth Ranches

the expense of oranges or in addition to them.

“I think Mandarins are in addition to the other citrus,” says Cooseman’s Macek. “Years ago, we would bring in the Spanish Clementines. Now we have the domestic Halos

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and Cuties. We’re seeing a real drive toward great produce. The demand for everything in produce is increasing. There’s a great demand for Mandarins, especially if you can get a virtually seedless Mandarin with high sugar content. There will absolutely be more demand in 2016.”

Oranges may have slid to No. 2 in fresh market sales, but there are still ample opportunities for promotion.

“We have great eye-catching display bins, high-graphic boxes and bags that complement our bright oranges,” says Tracy Jones, vice president of domestic sales at Booth Ranches, Orange Cove, CA. “Overall, the movement on Navels has been moderate. There is promotable volume week to week.”

Booth Ranches continues to find ample markets for Navel orange grown and shipped out of California’s Central Valley.

Mandarins hail from China, still the world’s largest producer by far, and the growing Asian population in the U.S. is an important demographic. Some retailers find that Asians are their most important demographic when it comes to Mandarins.

“Asian consumers are our major customers on Mandarins,” says DeKalb’s Choung. “I think all generations like the Mandarins.”

But at Dekalb, too, suitability as a kids’ lunch-box item is an important selling point for this sweet fruit. “There are no seeds, and they are sweeter than tangerines or Clementines. They make wonderful school snacks.” **pb**



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PHOTO TO LEFT IS COURTESY OF THE NATIONAL MANGO BOARD; PHOTOS TO THE RIGHT COURTESY OF CIRULI BROS.

Mexican Mangos Thrive

As the fruit plows its way to mainstream, retailers have numerous options to market.

BY CHRIS AUMAN

People have been cultivating the mango fruit for thousands of years. This sweet tropical fruit was first harvested in South Asia before spreading across the continent to East Asia and west to the coast of Africa. Today, mangos are cultivated in tropical and frost-free subtropical regions throughout the world including the orchards of Mexico. With two growing seasons, this delicious and versatile stone fruit can be sourced year-round to reach consumers in every part of the globe. Once considered an exotic

fruit found only in ethnic markets, consumers in the U.S. became increasingly familiar with the mango, which is now a staple of the produce department.

This isn't to say everyone is familiar with mangos. Choosing a ripe mango, cutting it, and incorporating it into recipes still presents a challenge for the casual consumer. With a little education and the right marketing and merchandising tools, supermarket executives can help their retail managers promote this fantastic fruit at store level.

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The image displays three overlapping screenshots of the mango.org website. The top-left screenshot shows the 'RESEARCH & RESOURCES' section with a featured article 'THE MAGNIFICENT MANGO' and sub-sections for 'HOW TO CUT A MANGO' and 'HOW TO CHOOSE A MANGO'. The middle screenshot shows the 'RESEARCH & RESOURCES' section with a 'DOWNLOADS' section. The bottom-right screenshot shows the 'PROFESSIONALS' section with a grid of links including 'CROP INFORMATION', 'MANGO NUTRITION', 'MANGO UNIVERSITY', and 'INDUSTRY ORGANIZATIONS'. Arrows point from the text blocks to specific sections on the website screenshots.



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PHOTO COURTESY OF THE NATIONAL MANGO BOARD

“Consumers are looking to indulge and experience cuisines from different cultures in their own kitchens. From traditional Mexican dishes to Indian cuisines, mango can offer the variety in cultural plates, while being a healthy snack.”

— Rachel Muñoz, National Mango Board

While there are hundreds of mango varieties found throughout the world, six main varieties find their way to produce aisles here in the States. Five of these varieties are primarily sourced from Mexico: the Ataulfos, Haden, Keitt, Kent and Tommy Atkins.

Rich, creamy, tender and juicy, the difference between varieties can be subtle. By featuring mangos in attractive displays with POS information, including recipe ideas and nutritional info, produce managers can quickly convey the benefits and possibilities of the mango to busy shoppers.

MAINSTREAM MANGOS

Tom Hall, sales manager at Freska Produce International, based in Oxnard, CA, witnessed firsthand the journey of mangos into the mainstream. “Salsas, jams, chutneys, smoothies, we’re seeing more exposure to mangos in general in several areas,” says Hall. Whereas, before it was grapes, pineapple and melon.”

The graduation of mangos to fruit salads isn’t the extent of their progress. Mangos provide sweetness, yes, but they also add additional texture that may be new to the palates of customers in the States.

Andres Ocampo, director of operations at

HLB Specialties, headquartered in Pompano Beach, FL, observed the mango’s journey into more shopping carts in recent years. “Consumption numbers are consistently rising since mangos became mainstream,” says Ocampo. “People are accustomed to seeing them at the store level and are discovering new ways to use them.”

Ronnie Cohen, vice president of sales at Vision Import Group, based in Hackensack, NJ, sees mangos’ stock rising in the eyes of shoppers as well. “Mangos are used more in the fresh-cut or value-added category,” says Cohen. “It’s being added to the mix, and also, it’s [the fruit is] being sold by itself. Hopefully that trend continues, and I think it will.”

UNDERSTANDING MANGOS

With a few slices of the knife to peel and to cut into cubes, mangos can be enjoyed as a quick snack. They can also be used to complement other ingredients in smoothies, chutneys, salsas, fruit salads, mixed with yogurt, topped on ice cream, even to accompany hamburgers and other meat entrees. Understanding the versatility and appeal of mangos is key to successful promotions.

“We have to understand the item in order to

sell it properly,” says Cohen. “There is a plethora of information on the National Mango Board’s website. The plan going forward is to train produce managers so they understand what they’re handling, and to educate the merchandisers.”

This training doesn’t need to happen solely at store level. Distribution centers can also be educated on handling practices to ensure the best, most appealing fruit arrives to the produce department — where it can entice consumers through sight, smell and touch.

Chris Ciruli, chief operations officer at Ciruli Brothers, based in Rio Rico, AZ, offers supermarket executives communication suggestions for their managers when displaying mangos.

“The No. 1 thing we still see at the retail level is fruit on cold tables, which kills the flavor and kills the shelf life,” says Ciruli. “A lot of people are treating the fruit like an exotic and putting it in baskets and having very small display space. The larger the display space, especially unrefrigerated, the more you will build the market. I see a huge upside in potential for growth in this item once we get dialed in on how to handle it better through the whole supply chain.”

Not knowing how to choose a ripe mango, or how to cut it once they do find one, remains a set back to full integration of mangos into the mainstream.

“Many consumers associate mangos as a tropical fruit, which it is,” says Cohen, “but this may prevent them from actually trying mangos. They may be unsure how to choose ripe fruit, how to cut it, and how to eat it.”

Of course, not all consumers are put off by items unfamiliar to them. Rachel Muñoz, director of marketing for the National Mango Board (NMB), based in Orlando, FL, sees the general consumer as willing to experiment with the fruit.

“Consumers are looking to indulge and experience cuisines from different cultures in their own kitchens. From traditional Mexican dishes to Indian cuisines, mango can offer the variety in cultural plates, while being a healthy snack.”

For some consumers, their only previous experience with mangos may be from sampling different chutneys and salsas, which they can now make at home. “Salsas continue to rise in popularity,” notes Muñoz. “Incorporating mango into your favorite salsa recipe is a great way to give a fun twist on a growing trend. Meal prepping also continues to gain a following. Cutting and including mango in salads and meals for the week is a healthy way

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to add a sweet treat to consumers' routines." Produce buyers at the executive level can help managers market the fruit according to their customer base. "We find a more ethnic consumer base to mangos," says Hall of Freska Produce. "Asian, Indian and Hispanic customers like certain varieties and are more familiar with them. It's up the retailer, in particular, and what their core customer base is, to determine how to cross-promote."

POINT OF SALE OPPORTUNITIES

While many consumers may not be comfortable choosing ripe mangos or storing and ripening them at home, this offers retailers several POS opportunities. The NMB provides retailers with POS tools to educate consumers. As Ocampo at HLB Specialties attests, "The work they have been doing has been really helpful for retail. They try to entice the stores to do better with larger displays to increase consumption."

The NMB also offers free displays for retailers to help convey the many uses and benefits of the fruit. Cohen adds, "Like anything else, it's about education."

Muñoz at the NMB understands the value



PHOTO COURTESY OF ROBINSON FRESH

of educating both retailers and consumers. "Mango sales can benefit from the education opportunity of POS materials. After many years of working to educate shoppers, we still find that 'squeeze gently to judge ripeness' and the photo story showing how to cut a mango are still the most sought-after POS options."

The NMB also offers POS education tools about mango nutrition and easy usage ideas. "Themed mango displays are always a big hit," says Muñoz. "For example, choose a mango salsa recipe, and ask your stores to group the ingredients, along with a recipe tear pad to help

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“As the mangos ripen, they start to release more aroma, and that is very enticing. It’s important to realize their ready-to-eat concept works very well for mangos.”

— Andres Ocampo, HLB Specialties

shoppers buy everything they need. While it sounds simple, this strategy leads to colorful displays that draw in shoppers by telling a story and offering a solution.”

Due to the bulk nature of mangos, Robinson Fresh takes an alternative approach to garnering sales in produce departments.

“The cartons the mangos are packaged in serve as their own billboard,” says Jose Rossignoli, category general manager at Eden Prairie, MN-based Robinson Fresh.

“The nomadic nature of mangos is characterized not only by strong volume variations but also by the evolution in sizing profile throughout the season,” adds Rossignoli. “Retailers should work to incorporate these natural size fluctuations within their program in order to take full advantage of volume peaks in different sizes, allowing for a more aggressive and frequent promotional campaign.”

BEAUTIFUL DISPLAYS

Packaging may move more mangos at Costco and Sam’s Club, but for smaller chain stores and neighborhood markets, individual fruit hand-stacked in attractive displays is the best option. “As the mangos ripen, they start to release more aroma, and that is very enticing,” says Ocampo.

When sold this way, the sticker may be the best opportunity to educate consumers about the product in such a limited space. In well-stocked produce departments with many commodities vying for attention, there’s not much room for communication or recipes.

“It’s important to realize their ready-to-eat concept works very well for mangos,” says Ocampo. “If you buy a mango that is not ripe, you will have a very tart, acidic flavor. If you buy a ripe mango, that tartness is mixed with a very sweet flavor, which is what makes mangos so appealing.”

Getting a tart, unripe mango might turn the consumer away from the fruit for good. “That’s something retailers have to realize, a ready-

to-eat program might develop consumption in a much better and faster way. Ready-to-eat is the way to go.”

Ciruli sees another pitted fruit from Mexico as providing mangos with an opportunity for cross-promotions within the produce department. Mangos placed next to avocados may improve ripening conditions for both, and they taste great together in guacamole. “With the volume of avocados and mangos coming out of Mexico, you get great promotional items that mix well,” says Ciruli.

“Retailers that offer more than one mango variety found success in generating additional sales by displaying mangos in multiple areas in the store,” says Rossignoli. “In-store demonstrations that include sampling fresh mangos and incorporating recipes that people can taste and then prepare at home are also successful.”

As consumer tastes broaden, access to once exotic fruits will increase. The mango has been providing people with health benefits and great taste for centuries, and this superb superfood is ripe for a prominent spot in produce aisles. **pb**

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It's time to tear into better Hearts of Palm sales.

Fresh Hearts of Palm Add Interest and Sales to Produce

Hearts of Palm (palmitos) has been a staple in Central and South America and France for decades. It is a refreshing and nutritious addition to salads and soups or a quick, healthy stand-alone snack. Celebrity chefs and foodies everywhere love the delicate flavor and nutritional value of Hearts of Palm. In the past, U.S. consumers have only been able to purchase Hearts of Palm preserved in a solution in cans or jars and primarily sold in the grocery aisle. Now, a new innovative product allows retailers to bring a FRESH Heart of Palm to the produce department.

Fresh, Not Canned

Shoppers increasingly favor fresh over processed or canned. The Palmelitas pouch presentation and stringent sourcing requirements for Hearts of Palm result in a high quality, fresh product for today's discerning consumer. The company's state of the art packaging keeps the Hearts of Palm fresh and natural without using a brine solution. The company grows its own product in Costa Rica, harvested from a family farm for the highest quality product with the utmost degree of concern for sustainable and responsible growing and harvesting practices.

Easy to Handle

Parmelitas just may be the easiest fresh produce item to handle in the department. The packaging means less mess for stores and consumers. The pouches are simple to transport and stock. The product does not require refrigeration and has a shelf life of 12 to 18 months thus fairly eliminating shrink. Consumers love the easy-open pouch and that there is no need for draining the product for use.

Flexible Display and Merchandising

The Palmelitas product easily fits in a variety of produce department formats. The non-refrigerated, stand-up pouches can be incorporated into any produce display. Retailers can also utilize the company-provided display cartons or clip strips (accommodating up to 12 bags) for additional visibility. Palmelitas pouches sell extremely well when merchandised on a clip strip hanging in front of the packaged salads.

An Attractive Component

Hearts of Palm is a unique and desirable salad component and marries perfectly with a wide variety of produce items. From bagged salads to avocados to tomatoes, retailers can capitalize on added ring from this product and its salad combinations. Health and diet conscious consumers are increasingly seeking out new salad components and Hearts of Palm fit perfectly into consumer demand for a fresh, healthy, tasty and unique ingredient. Pair with avocados, onions and lime for a tropical taste or co-merchandise with spring mix, tomatoes and balsamic for a more gourmet salad.



Telling the Story

Parmelitas presents a perfect opportunity for retailers to offer customers an interesting, healthy and flavorful fresh item. Educating consumers on recipes, sampling the product and telling its sustainability story will win the hearts and taste buds of customers. Savvy produce departments can capitalize on this fresh presentation of Hearts of Palm and watch sales soar as shoppers discover the flavor, flexibility and ease of these Hearts of Palm.

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FLORIDA SHINES

PHOTO COURTESY OF FLORIDA STRAWBERRY GROWERS ASSOCIATION

The 'Sunshine State' delivers the first signs of spring to the northern U.S.

BY CHRIS AUMAN

The Top 10 fresh spring vegetable crops in Florida, according to statistics supplied by the Florida Fruits and Vegetable Association, are tomatoes, peppers, sweet corn, snap beans, cucumbers, cabbage, squash, celery, eggplant and lettuce. That's an impressive and varied list that keeps consumers in northern states well stocked with fresh commodities and salad ingredients several months before winter releases its frigid grip.

In 2014, Florida delivered nearly 40 percent of the total U.S. value for fresh market cucumbers and tomatoes, with a combined value of over a half billion dollars. Snap beans were close behind at 35 percent with bell peppers and squash at 27 and 21 percent respectively. Sweet corn neared 20 percent of the fresh market value with \$130 million.

In addition to ranking first in U.S. production value for citrus fruit, as one may expect, the Sunshine State is also first in cucumbers (more of which end up pickled than any other state

producer), snap peas, squash and tomatoes. Sugarcane and watermelons also top the list.

According to USDA National Agricultural Statistics Service (NASS), tomatoes led the

way in 2014 as well with a peak season falling in April and May. That same year, Florida led the country, producing 924 million pounds on 33,000-harvested acres for a production value



PHOTO COURTESY OF WEIS-BUY FARMS

Florida Leading Spring Crops

2014



Commodity	Season	2014 Value of Production (\$millions)	2014 US Rank(Value of Production)	2014 Production (pounds)	2014 Harvested acres
Tomatoes	Oct - June (Apr-May peak)	\$437	1	924,000,000	33,000
Strawberries	Nov - Apr (Feb peak)	\$307	2	207,100,000	10,900
Bell Peppers	Oct - May (March peak)	\$164	2	309,400,000	11,900
Spring Potatoes	Feb - June (March-May peak)	\$132	2	703,200,000	29,300
Sweet Corn	Nov - Jun (Apr-May peak)	\$130	2	459,000,000	34,000
Watermelons	Apr - July (May-June peak)	\$80	1	482,700,000	19,700
Snap Beans	Nov - May, (April/May peak)	\$77	1	133,000,000	26,600
Blueberries	Mar - May, (April peak)	\$76	8	16,000,000	4,300
Cucumbers	Oct - Jan then Mar-June (Apr-May peak)	\$65	1	244,400,000	9,400
Cabbage	Dec - May (March peak)	\$50	3	299,200,000	8,800
Squash	Oct-june, (April peak)	\$41	1	80,000,000	6,800

Source: USDA NASS AgStats

of \$437 million. Strawberries are the second leading crop in both the state and the country with more than 207 million pounds produced on nearly 11,000 acres for a production value of \$307 million.

Other commodities that hit their peak in early to late spring are bell peppers, spring potatoes, sweet corn, snap beans, cucumbers and squash, and all are nationwide leaders ranked either first or second with cabbage coming in at third.

There is little doubt consumers don't want fresh produce, especially in the winter months, and retail produce executives can take advantage of the myriad tools at their disposal to promote it. Signage, packaging and labels, even social media platforms are all effective ways in which produce departments can promote the state of Florida and its message of health, great taste and sustainability.

Restaurant buyers can draw attention to Florida growers and the commodities they harvest wherever they appear on the menu. While utilizing these tools are highly beneficial in promoting Florida produce and increasing profits, the commodities themselves provide excellent marketing as well. Well-stocked, attractive displays where consumers can touch and feel the freshness, will keep them in a Florida-state-of-mind as the ice and snow begins to thaw.

FLORIDA, THE NATION'S BACKYARD

"Consumers want to know where their food comes from," observes Brian Rayfield, vice president of business development for J&J Family of Farms based in Loxahatchee, FL. "I think if we can tell the story about our farms and how we do things, it will resonate

"It's really important for consumers these days to know where their food comes from and to know it is high quality, healthful and fresh. Retailers who source spring vegetables from Florida are certainly offering that to today's consumers."

— Lisa Lochridge,
Florida Fruit and Vegetable Association

with consumers in northern states."

J&J Family of Farms is a grower and shipper based in Palm Beach County. The company recently partnered with Boca Raton, FL-based Thomas Produce to manage a total of 15,000 acres to grow green bell peppers, green and yellow squash, eggplant and green beans.

Rayfield says while folks in colder climates may aspire to eat as much locally sourced produce as they can, the weather in much of the country makes this request impossible for several months of the year.

When vegetables can't be sourced from local growers, consumers can trust the arrival of fresh produce from Florida throughout the winter and into the spring. Even in the summer and fall, Florida produce continues to complement offerings in the produce department.

Rayfield says when consumers outside of

Florida realize they can't have locally grown produce 12 months a year, "they can associate with the grower in Florida. They might say to themselves, if this grower was here in my state, I would like to eat this product. I do think that 'Buy USA' is something the state of Florida should attempt to leverage."

That sentiment is echoed by other growers who feel consumers who value local, should support produce grown in the U.S. whenever possible.

Dan Jost, general manager of the southeast region for Robinson Fresh headquartered in Eden Prairie, MN, also sees Florida's ability to deliver fresh produce fast as a great advantage for retailers. "The primary advantage to Florida-vegetable production continues to be its strategic value to Central and Eastern-based receivers versus West Coast production. Retailers reduce fuel miles and transit times, receive fresher product, and gain satisfaction in knowing they're not only diversifying their supply, but supporting regional and local growers."

Retailers can educate their customers by emphasizing the fact that Florida produce offers the freshest U.S.-grown option to consumers when obtaining locally sourced commodities isn't an option.

"It's really important for consumers these days to know where their food comes from and to know it is high quality, healthful and fresh," says Lisa Lochridge, director of public affairs for the Florida Fruit and Vegetable Association based in Maitland, FL. "Retailers who source spring vegetables from Florida are certainly offering that to today's consumers. Local means different things to different people, and what we found is consumers really do regard

Florida produce as local when it's not available near them."

Lochridge recommends retailers work with growers to promote Florida produce utilizing point-of-sale materials, displays and signage to make the product pop and grab the attention of busy shoppers. "With trends that are popular with consumers today, they want to know more about where their food is grown, where it comes from, and to be assured they're making healthy choices. Florida produce fits all that criteria, and gives us something strong to stand on during the spring," says Lochridge.

QUALITY TRUMPS LOCAL

While an increasing number of consumers

"Whenever we buy Florida produce we're buying from that particular grower and area, because we know it's the best quality. It's the quality that helps us promote product."

— Dan Dvor, A&N House of Produce

may be interested in locally sourced produce, not everyone is. Many consumers are confident in their own ability to judge quality produce.

"We don't have a very local-sensitive clientele," says Dan Dvor, manager of A&N House of Produce in Philadelphia. "They're much

more sensitive to quality and appearance, and obviously price. Whenever we buy Florida produce we're buying from that particular grower and area, because we know it's the best quality. It's the quality that helps us promote product."

■ FULL-FLAVORED FLORIDA TOMATOES

The growing season for Florida tomatoes is October through June with the peak period falling in April/May. In 2014, according to a report by the USDA's National Agricultural Statistics Service, Florida ranked No. 1 in U.S. production of tomatoes, leading the country with 924 million pounds grown for a total of \$437 million in production value. Florida has a hard-fought reputation for producing quality tomatoes, and that's a result of a lot of hard work by growers.

Due to the high regard the public has for its products, the Maitland, FL-based Florida Tomato Committee believes retailers would be wise to emphasize the benefits of fresh tomatoes from Florida. In addition to large bountiful displays in the produce department, secondary displays with packaged salad, as well as in the meat department, are effective ways to promote them. Placing them next to items in the produce department, such as onions, carrots, cucumbers or lettuce can get that healthy, flavorful salad in the minds of shoppers even if those items aren't on their shopping lists.

According to Reggie Brown, manager of the Florida Tomato Committee, "the Florida tomato during the winter, from fall to early spring, is truly the home-grown American tomato. Most of the rest of the product, certainly in the large-round category, is coming from outside the country — primarily Mexico." Buying Florida tomatoes, he says, "gives retailers the opportunity to feature a tomato grown for Americans by Americans."

The Florida Tomato Committee is the regulating authority for the tomato produc-



PHOTOS COURTESY OF WEIS-BUY FARMS

tion areas of Pinellas, Hillsborough, Polk, Osceola, Brevard as well as other counties. The Committee created high standards on the tomatoes that get shipped to restaurants and retail outlets north of the Florida/Georgia state line, and Florida growers work hard to meet them. "We, in Florida, spent a lot of time and a lot of money building this product," says Chuck Weisinger, chief executive of Weis-Buy Farms based in Fort Myers, FL. "You see today, compared with the tomatoes we sold 20 or even five years ago, it's a healthier product, it's a better product, and it's a cleaner product, and nothing goes out unless it's healthy — so there's very little chance of disease or problems with the tomatoes."

The health benefits associated with this versatile fruit are expansive. Myriad studies from institutions such as the American Cancer Society, Harvard School of Public Health's Department of Nutrition, and University of Illinois prove tomatoes can help the lungs repair from damage caused by

smoking, and their high-lycopene levels have been shown to reduce the risk of prostate, stomach and colorectal cancers. And additional lycopene is produced by tomatoes through cooking.

While most consumers are quite familiar with tomatoes, their reputation has taken a hit in the past with critics who decried their lack of flavor. According to Weisinger, the issue has been resolved. "The tomato crop in Florida supplies about 60 percent of Americans, and part of the Canadian market with fresh tomatoes. The American farmer perfected tomatoes to where we changed the flavor. The cost of Florida tomatoes today is approximately \$11,000 an acre, so we're spending an awful lot of money in Florida to give the consumer the best product we can. The price itself can be cut to the Northeast because of the shortness of time. It's safe, it's healthful, it tastes good, and it's not the cardboard that the press complained about 15 years ago. It's a whole different product."

pb



Promoting sustainability should certainly include Florida growers in the U.S. To help satisfy consumer demand for healthier products, Alderman Farms provides organic alternatives, and while that helps reach consumers concerned with pesticide use, there is increased competition from Mexico in organics as well.

“The main idea of a sustainability program, you are offering organic options to your customers,” says Wilson.

More people are tuned into the benefits of organic, so prices are actually coming down

over the years as everyone has more experience with the crop. While sustainability and organics are appealing to many consumers, “price is what pushes it,” concludes Wilson.

PROMOTIONAL VOLUMES

Spring’s biggest holiday, Easter, is a good opportunity for retailers to promote Florida produce. “For big holiday eating occasions, there will be promotable volumes of sweet corn,” says Nichole Towell, director of marketing at Duda Farm Fresh Foods head-

Lee Anne Oxford, director of marketing at L&M Companies in Raleigh, NC, sees value for retail produce managers in promoting the positive attributes of their commodities.

L&M is a grower and packer that manages 5,000 acres in Florida and produces a variety of spring vegetables such as green bell pepper, squash, zucchini, cucumbers, chili peppers, eggplant, cabbage, broccoli, greens and potatoes. Oxford says the biggest advantages in the produce departments of eastern retailers are “freshness, shelf life and freight savings,” as well as Fresh From Florida brand recognition.

When asked the best ways for retailers to promote Florida vegetables, Oxford was ready with a long list of effective tools: “advertising, shelf talkers, store banners, Fresh from Florida bins and packaging. We have overwrap trays, labels and Florida poly bags and bins. We also do local POS signage and ad programs.”

For Dvor at A&N, Instagram and Facebook are good ways to mention growing location as part of overall product description. He says the Florida name alone is often enough to connect these commodities with quality.

SUPPORTING U.S. FARMERS

Buying healthy, organic vegetables is great, but perhaps the more compelling reason to buy Florida produce is to support Florida growers in what is a very competitive North American market.

For Tom Wilson, sales manager at Alderman Farms based in Boynton Beach, FL, buying Florida produce goes beyond health trends and sustainability movements. Buying from Florida growers supports growers, farms and the many workers involved in picking, packing and transport.

“The main benefits are that it’s a U.S. product,” says Wilson. “It’s helping local farmers. It helps with their sustainability programs, and it keeps farming alive in the U.S. For smaller growers — and all growers really — it is a struggle to compete with cheaper prices coming from south of the U.S. border.”



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“For big holiday eating occasions, there will be promotable volumes of sweet corn. We planned an increase to cover customers’ needs. We will also have promotable volumes of celery and radishes — both are cooking and snacking staples.”

— Nichole Towell, Duda Farm Fresh Foods

quartered in Oviedo, FL. “We planned an increase to cover customers’ needs. We will also have promotable volumes of celery and radishes — both are cooking and snacking staples.”

There are opportunities for retailers to begin promoting commodities — even as winter still reigns, according to Towell. “Run times for Florida-grown produce can vary depending on the weather. For example, celery season is January through April, with promotional time mid-January through mid-April. We also use the Fresh from Florida logo on all items to generate awareness for our products and where they’re grown.”

Florida’s sweet corn season begins in mid-November and lasts through May, so promotional volumes are available in early spring and consumers expect to see fresh ears in the produce aisles at that time. The season for lettuce and leaf items in Florida starts mid-December and continues through April, so the promotional time for these commodities start in mid-January and lasts through March. Retailers have many opportunities to promote fresh produce sales during the early days of the spring season.

THE PERSONAL TOUCH

The advantages of procuring and promoting the freshness and availability of Florida produce are apparent to the senses. Simply touching and smelling crisp snap beans or a firm, ripe tomato is a major selling point. Produce displays that are well-stocked, colorful and attractive convey a message of health and bounty.

There are other tools retailers can use to boost sales in the spring. “Retailers can use shelf strips and talkers to feature the growing geography, and educate the consumer about



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the freshness of the regional grown product,” says Jost at Robinson Fresh.

Consumers who are concerned about the source of their produce like to make a personal

connection to the grower. To achieve this, Jost says personalized signage yield good results. “Many retail locations often have a picture of the grower to help the consumer connect with

the farm and its crop.”

Jost suggests restaurants take advantage of this selling point as well. “Restaurants can train their employees to speak to the regional product as they walk customers through the menu or specials. Today’s consumers enjoy learning about the supply chains behind their food selections.”

Scott Seddon, brand manager at Pero Family Farms headquartered in Delray Beach, FL, echoes this sentiment. “If it is not locally grown for your region, it is domestically grown,” he says. “Florida has healthy soil and farms that produce nutritious vegetables. It’s no secret that Florida is full of sunshine in the winter, and that is one of the main ingredients for great produce.” **pb**

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Value-Added Potatoes



The category represents a niche market and excels with Millennials and Baby Boomers.

BY CAROL M. BAREUTHER, RD

Potatoes for dinner once meant an hour's bake time in the oven. This prolonged prep time in an age of meals-in-minutes has led to a drop in customers shopping for spuds in the produce department. In fact, fresh market potato consumption decreased 25 pounds between 1970 and 2014, according to the "Vegetables and Pulses Yearbook Data," released by the USDA's Economic Research Service on March 20, 2015.

More recently, fresh potato eatings at home declined from 44.7 annually in 2004 to 37.9 in 2014, based on the Port Washington, NY-headquartered NPD Group's "National Eating Trends" data.

Potato growers, packers and shippers responded to consumer's change in lifestyle by creating a number of fresh fast-fixing value-added potato products designed to put the tater back on the plate more often.

"Lots of customers want to buy potatoes," says Richard Stiles, director of produce and floral for Redner's Markets, a Reading, PA-headquartered chain that operates around 45 warehouse markets and about 20 Quick

Shoppes in Pennsylvania, Maryland and Delaware. "If they see a product that takes 30 minutes off their cooking time, they're more eager to pick it up."

Industry numbers support this observed purchasing trend. While overall potato category sales decreased 2.9 percent for the 52-weeks ending October 25, 2015, according to Chicago, IL-based Nielsen Perishables Group's "FreshFacts" statistics, value-added potato dollars increased 10.8 percent. This double-digit growth does come off a small base. Value-added potatoes represented a niche market shipping pallet quantity portion of potato category sales at 5.8 percent during the 52-weeks ending October 25, 2015.

CONVENIENCE DEFINED

Value-added potatoes respond to the two biggest demographics of shoppers, Millennials and Baby Boomers, and for some of the same reasons.

"They tend to be smaller households, so smaller package offerings respond to both these groups," says Mac Johnson, president and chief executive officer of Denver, CO-based Category Partners, LLC, which represents Wada Farms and Farm Fresh Direct of America. "Millennials prefer fresh over processed, and Baby Boomers are interested in health and wellness, so fresh works for them too. And for both groups, time is important."

As for marketing region, "value-added potatoes experience the greatest sales success

in markets where overall convenience product demand is highest, says Ralph Schwartz, director of category management and value added marketing for Potandon Produce LLC, in Idaho Falls, ID. "This is mostly in urban areas."

Value-added potato products are essentially those in which grower/shippers go the extra step toward convenient preparation for customers.

"Whether the product cooks quickly, is individually packaged, seasoned, pre-washed, and microwavable or grill ready, value-added products are to assist our consumers to save time in the kitchen," says Randy Shell, vice president of marketing for RPE, Inc., in Bancroft, WI.

These products collectively represent 183 SKUs, according to Nielsen Perishables Group's "FreshFacts" data as provided by the Denver, CO-headquartered U.S. Potato Board. Thirty-five of these SKUs were added between 2014 to 2015, mainly in the form of products with new seasoning formulations.

"We carry microwavable, single-serve Russets and sweet potatoes, microwavable seasoned potatoes and in-tray baby potatoes. We offer these due to customer interest and convenience," says John Savidan, director of produce merchandising for Bristol Farms, a 13-store chain based in Carson, CA.

Redner's Markets' offerings also include pre-washed, ready-to-microwave Russet and sweet potatoes. In addition, there are gourmet

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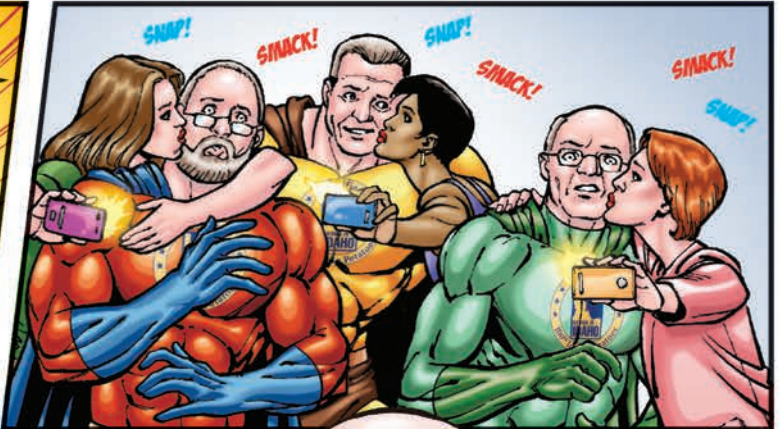
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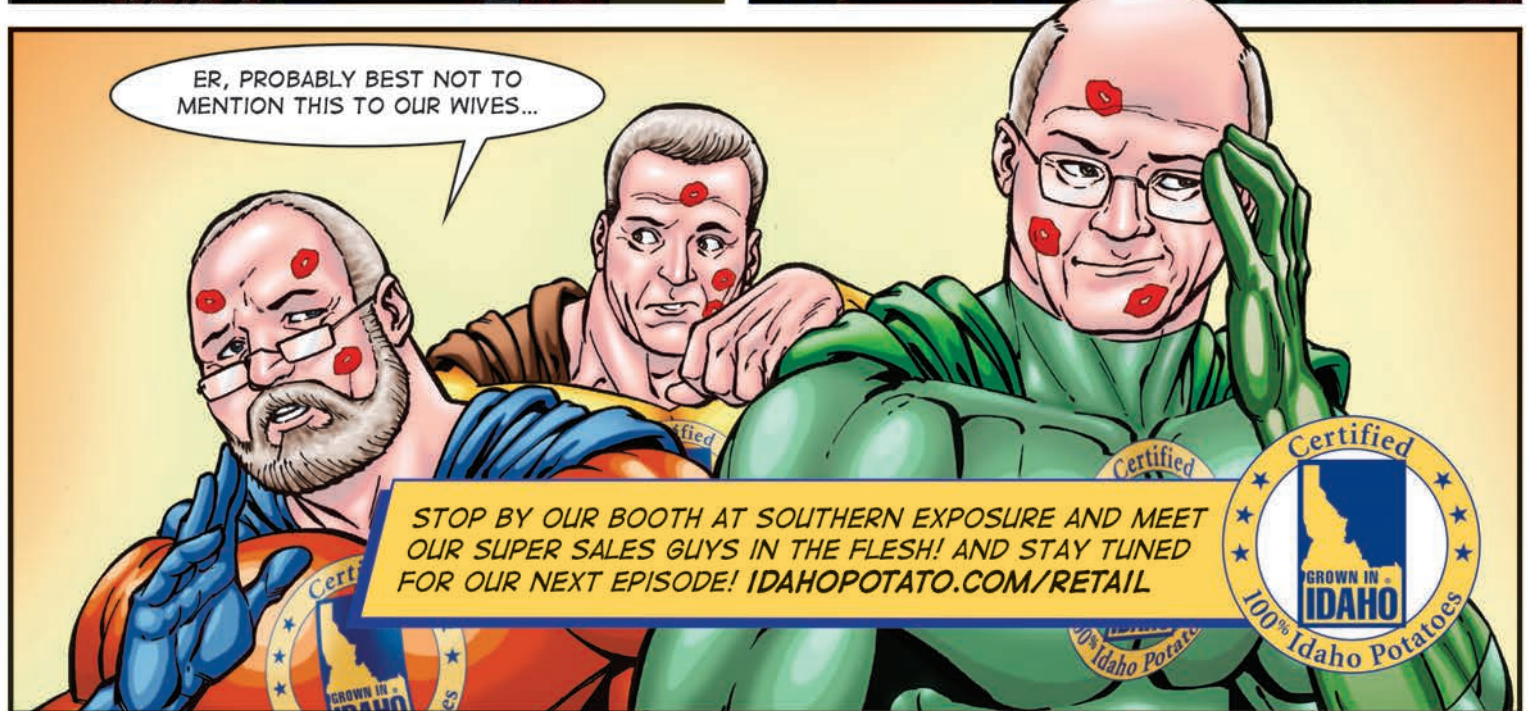
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fresh-cut marketing ▶ value-added potatoes

petite red, yellow and white potatoes in microwaveable bags, and an 8-item line of microwave-ready potatoes with a variety of spice and seasoning combinations.

“For data purposes, the industry classifies value-added potatoes in four categories: single-wrapped, microwavable/steamer, tray items and fresh cut/refrigerated,” explains Kathleen Triou, president and chief executive officer of Fresh Solutions Network, LLC, headquartered in San Francisco, CA.”

Single Bakers. Single-wrapped potatoes accounted for 2.6 percent of fresh potato category dollar sales, up 1.3 percent in dollars and up 0.7 percent in volume in the 52-weeks ending November 22, 2015, based on Nielsen Perishables Group data.

“The advantage of Bakables is the product is triple-washed, shrink-wrapped and a great portable option that can be enjoyed as a snack or side dish,” says Triou, whose Fresh Solutions Network offers this product in both Russet or sweet potato varieties.

Black Gold Farms developed a microwavable, shrink-wrapped sweet potato product following a request from mega-retailer Wal-Mart.

“Unlike Russets, the sweet potato category was up 9.3 percent in dollars and up 2.2 percent in volume during the 52-weeks ending October 4, 2015, according to IRI FreshLook data,” says Don Ladhoff, director of fresh sales and marketing for Black Gold Farms, in Grand Forks, ND. “Similarly, microwave sweet potatoes were up 62 percent in dollars and 44.0 percent in volume during the same time period. Sweet potatoes are definitely a strong part of the value-added potato trend.”

Microwavable/Steamable. Small-sized potatoes that can be cooked in a one-meal size microwavable bag made up 1.1 percent of potato category dollar sales in the year ending November 22, 2015. Dollars during this time rose 26.8 percent and volume 33.4 percent, an indication that the average retail price of this segment is coming down.

“Our Side Delights Steamables are the work horse of our products,” says Triou from Fresh Solutions Network. “We offer eight SKUs of B-sized potatoes: whites, Russets, goldens, reds, Fingerling, purple, Sweets and a medley that are triple-washed, microwave-in-the-bag and ready to eat in 8 minutes. Selling points are multiple SKUs, so it’s seen as a

real segment, great graphics, steam preparation method that retains color and nutrients, and just the right amount for one meal in a 1.5-pound bag size.”

Potato Jazz, a line of 1-pound microwavable steam kits with seasoning packs, recently relaunched by Wilcox Fresh, in Rexburg, ID. The line includes: Baby Russets with loaded baked potato seasonings, Fingerlings flavored with chipotle spices, and an herb-garlic mix with red and yellow potatoes.

“We successfully test-marketed these at Dierbergs and H-E-B, and now they are available nationally,” says Jim Richter, executive vice president of sales and marketing at Wilcox Fresh.

Last fall, Alsum Farms & Produce, in Friesland, WI, introduced its Fast & Fresh! Microwave-Ready Creamer and Fingerling Potatoes. The spuds come in 12-ounce, pre-packaged steam trays with seasoning and olive oil packets that go from the microwave to the dinner table in 6 minutes or less. The three-item line includes: red creamer potatoes with Parmesan and garlic, yellow fingerling potatoes with garlic and paprika, and yellow and red fingerlings with bold-flavored spices.



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A key point of differentiation in value-added potatoes is that the outer packaging is as innovative as the product inside.

“The high-graphic sleeve is made from 100-percent recycled paperboard and uses 35-percent post-consumer content to protect the potatoes from light to prevent greening when on the store shelf or in the home cook’s pantry. In addition, the ready-to-serve container can be recycled,” says Christine Lindner, in national sales at Alsum.

Trays. Sleeve overwrapped trays of three to four potatoes are gaining in popularity as are pre-packaged trays of “taters” that can be microwaved or placed in the oven. Combined, tray-packed potatoes accounted for 2.0 percent of fresh potato category dollar sales and jumped 40.1 percent in dollars during the 52-weeks ending November 22, 2015, based on Nielsen Perishables Group numbers.

Two examples of the latter are the 2014-launched Oven/Grill Ready line from the Little Potato Company and the 2015-debuted Side Delights Roastables from the Fresh Solutions Network.

Both utilize a tray that can be used in the oven or on the grill. The Fresh Solutions product features petite yellow and/or red potatoes with a trendy picante and ancho chile-flavored Montana Mex seasoning blend developed by celebrity chef Eduardo Garcia. The Little Potato Company offers creamer potatoes in three flavors: Barbecue Blend, Garlic Herb and Onion Medley.

Fresh-Cut. Fresh-cut refrigerated potatoes represented a mere 0.3 percent of fresh potato category sales, but more than doubled with a growth of 105.9 percent in dollars according to Nielsen Perishables Group data during the year ending November 22, 2015.

“We tried some of these products, but we have better success with non-refrigerated, value-added potatoes because of their longer shelf life. Also, a challenge is the need for refrigeration means these products can’t be displayed in the main potato display and they tend to get lost on the shelf,” says Redner’s Markets’ Stiles.

Fresh Solutions Network is developing a fresh-cut product in a vacuum-sealed package that is shelf stable.

MERCHANDISING – CHALLENGES & OPPORTUNITIES

Bulk, 5-pound and 10-pound bags of potatoes are the foundation of the potato category, but it’s the value-added products that are bringing in extra sales,” says Redner’s Markets’ Stiles.

Display. “As value-added potato products came to market both retailers and suppliers struggled as to where they belonged and many placed them in the wet rack near the microwaveable vegetables (such as green beans). For most, this didn’t work — consumers weren’t looking for potatoes on the wet rack. A lesson learned since that time is to merchandise value-added potatoes in the primary potato display. Don’t make shoppers search for them, because they won’t,” says Category Partner’s Johnson.

“In addition, carve out a section of the display for the value-add potatoes so consumers

can easily find them. Sign the section and highlight what the value-added proposition is; for example, feature that the item is microwaveable, or has a seasoning packet, or a grillable tray. Finally, give the items sufficient space and time to succeed. In the overall scheme of things value-added fresh potatoes are still relatively new and still need to capture consumer awareness and trial,” Johnson adds.

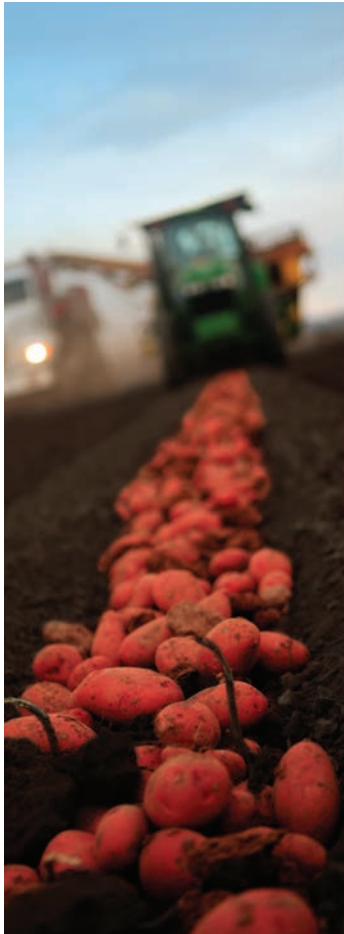
There are two main ways Redner’s Markets’ Stiles displays these products. First, grouped together on an eye-level shelf above the main potato display. Second, in free-standing

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shippers.

“We are seeing success in using stand-alone display shippers and shelving units. That’s because the small bags can get lost on the regular potato table so a unit gives them additional identity and an opportunity for an expanded marketing message,” says Potandon’s Schwartz.

Cross-Merchandising. “Never offer value-added potatoes in just one section of the store,” recommends Angela Santiago, co-founder and chief executive of the Little Potato Company. “A lot of people have given up on potatoes, because they don’t want to buy a 10-pound bag or they haven’t found the right alternative. So, put these products next to bagged lettuce or with romaine and carrots. In other words, marry convenience and health together.”

Value-added potatoes tie in nicely next to rotisserie chicken in the deli. Or, “with steak, pork and chicken in the meat department,” says Wilcox’s Richter.

At Redner’s Markets, Stiles says, “We saw impressive sales by merchandising the value-added potatoes in shippers in the meat department. It’s all impulse sales.”

Promotion. “A big challenge, especially in areas of the country where very large bags are successful, and those shoppers have been the ‘stock up’ type of buyers for years, is to get them to look at a very small bag with a higher retail price,” says Potandon’s Schwartz.

Value-added potatoes aren’t cheap. For example, while a 5-pound bag of Russets can retail for \$1.99, convenience counterparts typically sell for \$3.99 per pound.


“Demos and ads” are how Bristol Farms, a 13-store chain headquartered in Carson, CA, promotes these products to its customers, says John Savidan, director of produce merchandising.

Ease of preparation lends itself to retail-level demos. “We have done more than 10 in-store demos during the past three months as part of the introduction of our new Fast & Fresh! Microwave-Ready Creamer and Fingerling Potatoes with seasoning and olive oil in order for consumers to taste and experience the product first hand,” says Alsum’s Lindner.

As for ads, Randy Shell, vice president of marketing for RPE, Inc., in Bancroft, WI, recommends, “Three promotions a month is generally a great launching point when promoting new and traditional products.”

Another great way to introduce Idaho-grown value-added potatoes is to feature them as part of an entry in the Eagle, ID-headquartered Idaho Potato Commission’s Potato Lover’s Month Retail Display Contest. **pb**

sweet potatoes





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The Appealing Personality Of Carrots



Positive health benefits, low cost and versatility help maintain popularity.

BY JANEL LEITNER

The broad appeal of carrots has been bolstered by the diversity created within the category during recent years. “Carrots are universally enjoyed, and it’s important to make them accessible, affordable and convenient so they fit into different lifestyles and can be applied to different occasions,” says Scott LaPorta, president of Bolthouse Farms located in Bakersfield CA.

Nancy Grace, produce manager with Georges Dreshertown Shop-n-Bag, an upscale independent grocer located in Dresher, PA, recalls how in her 20 years of experience carrots have evolved. “One- and 2-pound whole bagged and 1- and 2-pound short cut/

bagged carrots were the original variety we had. Today, I counted 17 different varieties that are offered in our department.”

Health trends serve to support carrot sales. “Carrots are widely recognized for their beta carotene and fiber content,” says Matt Curry, president of Curry & Company, Brooks, OR. “Carrots have certainly been influenced by several of the health benefits trending now, including the orange color, which helps people ‘eat a variety of colors’ in their fruits and vegetables to maximize health benefits.”

Value and availability make this healthy product an easy choice for consumers. “While consumers are increasingly looking for a more wholesome diet, affordability is a factor that many people should consider when shopping for their family,” says LaPorta. “If the product is easy to find and easy to use, consumers will naturally gravitate toward it, while new flavor offerings help keep carrots interesting and fun.”

The low-price, high-value relationship of carrots is noted by Pierre Dolbec, vice-president sales and procurement with VegPro Inter-

national Inc., Sherrington, Quebec, Canada, as a crucial factor. “Carrots are a very versatile product and can be cooked, juiced, used in salads or snacks,” he adds.

ENERGIZE WITH OPTIONS

Retailers can use a variety of options in the carrot category to drive sales, including new flavor profiles. “Our Vidalia Sweet Carrots are only available from late February through June,” says Curry. “Our carrot season gives retailers a reason to promote carrots with great seasonal flavor that are perfect for fresh snacking and also enhances a bevy of recipes.”

Multicolored carrots enhance displays and draw attention to the product. “Add rainbow carrots, baby carrots and baby rainbow carrots to any display for variety,” suggests Katie Bassmann, marketing/communications with Lakeside Organic Gardens, which is based in Watsonville, CA.

K-VA-T Food Stores with 132 units, which is based in Abingdon, VA, reports customers like unique carrot colors. “We have had very



“Mix them with green vegetables, not root crops the way so many retailers do. This breaks up color in the produce section and promotes carrots as a fresh item to be used in salads.”

— Steve Sterling, Fresh-Link Produce

good success in promoting 12-ounce rainbow mini-peeled and rainbow bunch carrots,” says Keith Cox, produce category manager.

Likewise rainbow carrots are a favorite

of shoppers at George’s Dreshertown Shop-n-Bag. “Especially fresh bunches of rainbows,” says Grace. “They add beautiful color when merchandising with ‘greens.’”

Nutritional benefits add another dimension to marketing colors. “The Beta Sweet Maroon carrot as a whole contains approximately 40 percent more beta-carotene than the traditional orange carrots, and the purple exterior contains the antioxidant anthocyanin,” says James Bassetti III, president with J& D Produce located in Edinburg, TX. “Our main customers are the foodies and those who are big into juicing.”

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Organics present additional opportunity for carrot sales. “Organics seem to be trending upward in carrots,” explains Chris Smotherman, account manager of Kern Ridge Growers located in Arvin, CA.

HIGHLIGHT VERSATILE DISPLAYS

Successful carrot sales start with ample, attractive displays. “Put out full and fresh displays with all packaged varieties grouped together in a vertical set to showcase all the carrots you have to offer,” suggests Cox of K-VA-T Food Stores. “Bunch carrots should always be full and fresh looking as if they were just picked.”

Bulk carrots can be sold with or without tops to change the look according to Bassmann of Lakeside Organic Gardens.

Proper placement and good pricing in the department is key. “Secondary displays will increase volume,” says Cox. “We have good success when advertising carrots with other items as a multiple buy, for example three for \$5, mix or match.”

George’s Dreshertown says variety can boost sales. “We carry everything from fresh bunches to shreds,” says Grace. “Some are for dipping (chips and sticks) and some for cooking and microwaving.”

At Fresh-Link Produce in Lake Park, GA, general manager Steve Sterling advises buyers to keep carrots cold for extended shelf life. “Mix them with green vegetables, not root crops the way so many retailers do. This breaks up color in the produce section and promotes carrots as a fresh item to be used in salads.”

Innovative packaging is instrumental in moving product.

“We offer a variety of carrots including baby, matchstick and rounds, and we innovate with different packaging such as with our Veggie

Snackers,” says LaPorta of Bolthouse Farms. “Merchandising based on different seasons will help the carrots stand out.”

Getting creative with pack options adds value for consumers. “We are seeing some value-added options the past couple of years, including some packages with seasonings,” says Curry of Curry and Company.

Tailoring product packaging to customer needs will create additional opportunities. “Stores catering to families that cook a lot at home and want to make their dollars count should carry larger packs like 5-pound bags,” says Smotherman of Kern Ridge. “Selling carrots loose by the pound will help boost sales. Other stores may have a customer base



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that eats at home less, so smaller packs like 12-ounce or 1-pound will be a better value — or even convenience items like shredded carrots.”

Cox of K-VA-T notes the availability of a 12-ounce bag of petite, mini-peeled carrots — which is a smaller carrot than the mini peeled. “Cooking carrots usually are offered in 1-pound, 2-pound and 5-pound bags,” he adds. “Juicing carrots are usually a larger carrot offered in 5-pound, 10-pound, and 25-pound bags. Organic carrots will have the same selection as conventional.”

Fresh-Link suggests stores harness health benefits with particular packs to influence sales. “Retailers should run a springtime promotion

highlighting the 5-pound cellos carrots for juicing,” says Sterling.

ENGAGE THE SHOPPER

Incorporating recipes with displays help make a connection with the consumer. “There is a resurgence of ‘home cooking’ and ‘slow cooking,’ and retailers nationwide can capitalize on these trends,” says Curry of Curry and Company. “The continued popularity and growth of cooking shows spurred a new generation of people wanting to cook at home. Retailers can seasonally provide recipe content in circulars and digital platforms to give consumers new usage ideas.”

Cross-merchandising also helps to commu-



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nicate with the consumer. “Display carrots with any product that could be included in juices and snacking, such as kale, or place with herbs and spices for cooking ideas,” suggests Sylvain Racette, vice-president sales and marketing with VegPro.

At K-VA-T Food Stores, Cox relates how mini-peeled carrots displayed with packaged salad increases volume. “It becomes an impulse item at that point,” he says.

Bolthouse Farms suggests co-merchandising a variety of carrot presentations with hummus, salsa, dips and dressings. “Everything goes with orange,” says LaPorta.

Retailers are encouraged to promote multi-meal usage from one value bag. “A family can buy a bag of baby-peeled carrots that will take part in several completely different meals,” explains Smotherman of Kern Ridge. “They can be cooked as part of a roast, steamed with other veggies, sautéed in a stir fry, used in a salad, or eaten with dip as a snack. Having so many uses and long shelf life [30 days from production] means consumers get their money’s worth from the product.”

VegPro recommends capitalizing on seasonality. “For instance, stew in autumn and winter and snacks for back-to-school season,” says Dolbec.

Younger consumers are a great target market for carrots. “Carrots are one of the few vegetables that are sweet, making it easier to get children to eat them and an easy selling point for parents,” says Smotherman of Kern Ridge. “We saw tremendous growth in the past three years in our individual serve bagged carrots

that are mostly sold to be served in schools.”

Fun marketing tactics geared toward children deliver more rings at the register. Last year, to make healthy snacking more appealing to children, Bolthouse Farms launched its Veggie Snacker product line with ranch and chili-lime seasoning. “The baby carrots were creatively and conveniently packaged in ‘pinch-and-pull’ snack bags,” explains LaPorta. “The seasoning created delicious flavor profiles with the crunch of the carrot similar to that of a

chip that kids love.”

These Veggie Snackers, along with other Bolthouse Farms Kids fruit tubes and smoothies, were shared with children and families through the company’s regional Snack Mob Tour, a fun and colorful mobile sampling event. “There are many ways to engage and encourage children to choose produce,” says LaPorta. “We are a proud supporter of FNV, a national campaign powered by the [Washington, D.C.-based nonprofit] Partnership

“We saw tremendous growth in the past three years in our individual serve bagged carrots that are mostly sold to be served in schools.”

— Chris Smotherman, Kern Ridge

for a Healthier America, promoting fruit and vegetable consumption. The campaign seeks to make fruits and vegetables cool through national advertisements, events and celebrity partnerships.”

IMPORTANCE OF PARTNERING

Establishing a solid relationship with a retail partner helps in steady product movement. Smotherman of Kern Ridge explains the company’s recent association with Aldi.

“Aldi only purchases a few items but buys in very large volume,” he says. “It seems that the customer base is buying into the Aldi model of offering a minimal number of items and a price that is a good value to the consumer. It is very simple but appears to be very effective.”

Other retail partnerships focus on branding. “We partner with several retailers in the Southeast that capitalize on the brand recognition of Vidalia Sweet Carrots,” says Curry of Curry and Company. “Our partners take pride in the seasonality of our program, and it introduces some excitement into a category often seen as static.”

Bolthouse Farms works closely with retail partners to create unique in-store experiences that drive demand. “Much of our 100-year history has been focused on getting our carrots, and other fruit and veggie products, into shoppers’ baskets,” says LaPorta. “Carrot demand is traditionally steady and predictable, and to move the needle, you need to creatively market and merchandise.”

In 2010, Bolthouse Farms launched its first big non-traditional marketing campaign called “Eat ‘Em Like Junk Food.”

“This campaign likened baby carrots to America’s favorite snack foods,” explains LaPorta. “We put our carrots in vending machines, participated in *Sesame Street’s* Eat Brighter! campaign, and we aligned with industry partners such as PMA and FNV to promote fruit and vegetable consumption.” **pb**

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Peppers: From Farm To Fork



PHOTOGRAPHY BY DEAN BARNES

Experts discuss strategies for retailers to increase pepper sales.

BY KEITH LORIA

In 1492, while Christopher Columbus was traveling the Atlantic looking for spices, he came upon an unusual vegetable (the bell pepper) that he confused for peppercorn plants that produced black pepper, and thus the “pepper” was born.

Today, peppers are a staple item in every supermarket, with red, green, orange, purple and yellow bell peppers regularly creating a cornucopia of color in the produce aisle alongside chili and other hot peppers.

Doug Kling, senior vice president and chief marketing officer for Village Farms International Inc., headquartered in Heathrow, FL, noted retailers should focus pepper sales on the fresh attributes of health and wellness, snacking, and cross-promotion for grilling events, salad recipes or home entertaining.

“According to the latest Nielsen rolling 52 week data for peppers, dollars are up 4.6 percent

versus the prior year, and volume increased 3.1 percent, so there is obvious growth in the category,” says Kling. “Like so many other tastes, there is some growth in the hot pepper category — although Nielsen numbers suggest a slight drop off in the hot pepper category. That being said, with strong growth in both the Hispanic and Asian populations in the U.S., this trend may change significantly during the next few years.”

Frank Jaddou, owner of Mazen Foods, based in Detroit, notes peppers are featured

in a growing number of recipes, and therefore are good sellers year-round.

“We have specials on peppers throughout the year, and I believe people are more aware of them in recent years,” he says. “Whether it’s the popularity of all these cooking shows, or the foodies exploring, there has definitely been a resurgence of interest in the category.”

Sean Callahan, category general manager at Robinson Fresh, headquartered in Eden Prairie, MN, notes today’s consumers have a grab-and-go, convenience-forward mentality



PHOTO COURTESY OF TITAN FARMS

“The quality of product and tie-in merchandising will not only help sell more peppers, but increase basket ring. We should not ignore the fact that adding color to any cooked dish or fresh platter adds pizzazz.”

— Daryl W. Johnston, Titan Farms

and a heightened interest in healthy foods. That’s why it isn’t surprising the two following trends have come to surface: organic versus conventional; and the shift from bulk items that can be washed/cut as desired to packaged or value-added items that are pre-washed, pre-cut and packaged for the consumer.

“Since peppers are some of the most geographically diverse items Robinson Fresh offers, the company has grower programs

throughout several states in the U.S. and Mexico,” he says. “The company also has an increased organic cucumber focus throughout the Southeastern region of the U.S. and Mexico.”

Jake Parker, a product manager for L&M Co., headquartered in Raleigh, NC, says he noticed more retailers offer different grades and sizes of pepper from Jumbo Bells to Choice Bells and bagged pepper to more processed pepper in consumer packaging as well.

“We see continued growth in all sizes, grades and colors of bell pepper as well as solid growth in chili peppers,” he says. “We increased our pepper acreage each year, and the demand has been there for it. Demand increased for special packs. We upgraded our packing lines and facilities to keep pace with the demands.”

Daryl W. Johnston, vice president sales and marketing for Titan Farms, based in Ridge Spring, SC, says peppers are often not promoted correctly — especially when locally in peak season. He would like to see peppers paired more with center-plate items to provide meal solutions or creative ideas.

“They could carry two sizes to increase sales

through cross-merchandising. The quality of product and tie-in merchandising will not only help sell more peppers, but increase basket ring,” he says. “We should not ignore the fact that adding color to any cooked dish or fresh platter adds pizzazz. Today’s consumers are always wanting and demanding new items, but in this case, it could be chalked up to taste.”

Johnston says growing bell peppers in the Southeast has been a challenge of late with all the disease pressure from the ever-changing weather patterns, which is why new varieties are key to continued success of pepper sales.

MARKETING TIPS

Produce shoppers are looking to retailers to provide a lifestyle solution as well as a merchandising experience, which is why Jaddou of Mazen Foods believes it’s important retailers continue to offer value-added items due to the pepper category’s continued growth.

“Some great merchandising tips include: showing consumers easy ways to use peppers in a variety of meals, posting signage near the items that detail how to prepare peppers, and offering a comprehensive selection of value-added pepper items,” he says.

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merchandising review ▶ peppers

Robinson Fresh's Callahan says consumers seek quick, fresh, and healthy meal ideas, and retailers should capitalize on this.

"Offering these items makes it easy for shoppers to find healthy meal items that don't require a lot of pre-planning or prep time," says Callahan. "A good rule of thumb is to keep the assortment simple, as consumers are already strapped for time. Offering too many options could be overwhelming, and the choice may drive them away or onto another item."

Scott Seddon, brand manager for Pero Family Farms, based in Delray Beach, FL, notes the increased number of peppers being packaged is helping with merchandising, food safety and shrink.



PHOTOS COURTESY OF C.H. ROBINSON

retailers should build bigger displays and cross-merchandise peppers with popular items.

"When done right, peppers can make for some very colorful displays, which will attract consumers," she says. "We see peppers as a growing category, and retailers need to do their part."

Titan Farms' Johnston is another big believer in the power of color. "Displays that

offer consumers choices close together will increase more purchases."

In addition to a colorful display, utilizing nutritional information or specific health benefits that can be derived from incorporating peppers into daily meals is also a great display idea on which to focus.

"To offer even more convenience, retailers should consider displaying peppers with items that can be used together in meals in conjunction with recipe ideas, such as avocados and

DISPLAY TIPS

Christy Cunningham, product development and marketing manager for J&J Family of Farms, located in Loxahatchee, FL, believes

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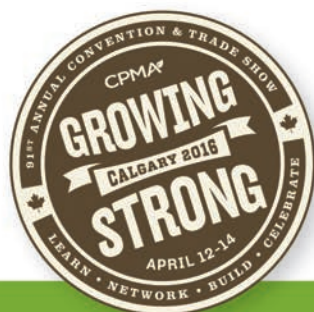
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onions,” says Callahan of Robinson Fresh.

L&M’s Parker says stores should allocate ad space to promote peppers as a salad and cooking vegetable, as well as for veggie trays and snacking. He also feels increasing signage for local programs and offering two price points on bell peppers (such as a premium-bulk option and choice-value option) could go far.

“Nothing compares to local-grown signage when local is available. Consumers love to know more about their farmers, where their food is grown, and how local produce supports the their economy,” he says.

THE GOURMET’S PERSPECTIVE

Peppers are very popular in a number of cuisines, and as of late, Americans have a taste for hotter varieties.

There are few vegetables as versatile as the pepper. They can be smoked, stuffed or sun-dried with such tasty results that top chefs regularly utilize them on their menus. A pepper’s crisp and juicy flesh makes it ideal for a snack or in a salad.

“A large percentage of consumer purchases are driven by heads of households with discerning children, which is why parents are looking for items that provide healthy, natural snacking options for their families,” says Callahan. “This may be an indicator as to why mini-pepper varieties have seen strong success in the produce department.”

“Nothing compares to local-grown signage when local is available.”

— Jake Parker, L&M Co.

According to FreshLook IRI data, mini-sweet peppers grew almost 40 percent annually — landing them a spot in the Top 5 category sales drivers.

In fact, last year, mini-sweet peppers generated almost as much volume as jalapeños, which is historically the more popular pepper.

Taking their cue from cooking shows, Johnston of Titan Farms notes that the grower side is working to develop hotter and more interesting pepper varieties that create options for customers to experiment with new items.

“Bell peppers by nature are known as sweet peppers, and we believe it would be a mistake to further confuse today’s consumer by offering a hot bell pepper,” he says. “There are countless other varieties of peppers to offer consumers the heat they are desiring ranging from the mildly hot Jalapenos to one of the hottest in Habaneros.”

Mike Aiton, marketing manager for Coachella, CA-based Prime Time Sales, says the use of peppers in foodservice and in the home continues to expand as consumers discover

their versatility. “Eaten raw, they can be used on a relish tray, as a snack, or dipped in your favorite topping,” says Aiton. “Eaten cooked, peppers hold up well, retain their crunch and flavor, and the brilliant colors make any dish more interesting and appetizing.

“We also hear frequently from consumers whose children love to have the mini sweet peppers included in their lunch or eat them at home as a different and nutritious snack.”

LOOKING AHEAD

Peppers are also produce items that retailers can utilize to appeal to their customers’ desire to support locally grown programs.

In 2016, Robinson Fresh will work with growers in the Texas Valley and Indiana to supply customers with fresh products. The company is focused on growing its organic pepper offerings as well.

L&M works closely with seed breeders to ensure it has the right varieties to produce high-quality, great-tasting peppers in newer varieties for 2016.

“If we are going to make real progress, we need help from retailer marketing; we need help from the seed breeders getting the right varieties; we need higher yielding plants to help with the high costs of production; and we have to farm it right,” says L&M’s Parker. “And a little cooperation from the weather never hurts.”

pb

Chefs Embrace Veg-Centric Cuisine



Radish Salad from The Kitchen's Upstairs restaurant in Boulder, CO.

PHOTO COURTESY OF THE KITCHEN

Customer demand ensures meat shares space on the plate.

BY JOHN LEHNDORFF

Vegan. Vegetarian. Raw. Paleo. Omnivore. It's easy to dismiss these dietary labels as just more noise about the diet *du jour*.

After all, the most recent survey by Chicago-based food research firm Technomic found only 3 percent of diners said they were vegan, 7 percent labeled themselves vegetarian, and 15 percent were "flexitarian" (vegetarians who occasionally eat meat or fish).

However, a much larger piece of the populace might well be "vegivores," a term *New York* magazine coined to describe a large new tribe of vegetable-centric carnivores.

The signs of resurgence are clear beyond the uptick in "Meatless Monday" promotions. "Vegetables are the hero this year," trumpets the annual predictions from San Francisco-based consulting firm Andrew Freeman Restaurant and Hospitality Consultants.

Meanwhile, at San Francisco's Al's Place — *Bon Appétit's* Restaurant of the Year in 2015 — roasted Fingerling potatoes and glazed Cippolini onions are served with a side order of roast beef.

Maybe the nation isn't quite ready to relegate beef to a garnish yet, but America's slow turn toward a less carnivorous path is packed with opportunities to showcase fresh produce. Year-round specialty produce sourcing from various regions made dishing less meaty fare accessible to restaurant chains, independent restaurants and foodservice operations at facilities, schools and colleges.

LESS MEAT, NOT MEATLESS

"We've seen a growth in plant-based eating for many years. But now, people say they are taking a break from meat without becoming a vegetarian or a vegan," says Kara Nielsen, culinary director at the Boulder, CO-based Sterling-Rice Group (SRG), an advertising firm that works with large-scale food companies. SRG's 2016 Culinary Trends range from a boom in bottled, chilled, sippable soups (including gazpacho) as well as pickled and cured vegetables on menus to spiralized zucchini replacing pasta on dinner plates.

"I've seen roasted and pan-seared cauliflower steaks as entrees, whole roasted cauliflower as a centerpiece, and cauliflower as a rice or starch substitute great for Paleo and gluten-free diets," says Nielsen, labeling it a "stealth vegetable."

She also notes food-, health- and travel-oriented TV, magazines and social media exposed consumers to many more kinds of vegetables and fruits. The rise of farmers markets connected restaurants more directly with local growers. "Fine dining restaurants have always had connections to farmers. Now treating vegetables with a lot more care has trickled down to mainstream restaurants and consumers," says Nielsen.

Increasingly popular health-centric restaurant chains are giving consumers a change of taste: meals centered by vegetables. First are the "greens" or salad-centered chains and fast casual Asian and Mediterranean chains offering plant-based dishes such as falafel. "Even the better burger chains, oddly, are part of the trend. They each have a pretty good veggie burger with all the usual toppings. Small chains like Lyfe Kitchen, True Food Kitchen and Veggie Grill are making a difference, too," says Nielsen.

A radish salad was on the menu recently at The Kitchen's Upstairs restaurant in Boulder, CO. "Raw radish is the forward flavor, but they have to be sliced carefully and thinly — not in chunks," says Kyle Mendenhall, executive chef.

"With vegetables, technique matters as much if not more than it does with meat or fish. We add apple for sweetness, Spanish Valdeon blue cheese, toasted Caraway seeds, smoked pecans for a depth of flavor as well as shallot and sherry vinaigrette."

Opened 11 years ago by Kimbal Musk and Hugo Matheson, The Kitchen group includes eight restaurants in Colorado plus The Kitchen Chicago and others in the works. The restaurants are known for supporting local agricul-

ture, zero waste and bringing edible learning gardens to schools across the country.

PRODUCE CHALLENGES

Changes visible on the plate have been slow and incremental. "At the restaurants, we're serving plates that have a little less red meat and a few more vegetables," says Chef Mendenhall. "Fewer people are turning their noses up if the plate isn't centered with a big, fat steak. More people are comfortable with the idea of eating a meatless meal."

The Kitchen's produce-forward approach was tweaked for the Midwest. "Chicago is a little different. We make sure there's a big steak on the menu when it's 12-below," he says.

"To us, a carrot is as precious as a filet mignon. It is a reverence for what farmers produce."

— Executive Chef Kyle Mendenhall, The Kitchen

Sourcing produce has been job No. 1 since The Kitchen first opened 11 years ago. "To us, a carrot is as precious as a filet mignon. It is a reverence for what farmers produce," he says.

That belief comes with a cost. "When we buy organic heirloom tomatoes from a farmer only 7 miles away, it can cost \$4 a pound. I can find other tomatoes for \$1 a pound, but they don't taste like anything. It may seem more expensive, but in the end, it really isn't," says Mendenhall.

However, keeping it simple can be a challenge for foodservice operations. "There is not much to hide behind. You can't just throw baby carrots on the menu and expect it to work. It also means you don't serve asparagus in December — it's a spring crop, and tomatoes and BLTs are off the menu until July or August," says Mendenhall.

THE VEGGIE GENERATION

Whether you label them hipsters, Millennials or Generation Z, younger diners are the largest demographic driver behind the growth of plant-centric fare ahead of increasingly health-concerned Baby Boomers. Some have ethical and environmental motivations, others worry about food safety and knowing the source of their food.

"Millennials are very interested in vegan and vegetarian food. They were not raised as meat-and-potatoes kids," says Corry Laurendine, sales manager for Los Angeles-based California Specialty Farms, a division of Cooseman's specializing in ready-to-cook vegetables as well as exotic and specialty ingredients.

She notes a rising demand for Asian ingredients from foodservice, but not necessarily just for Asian dishes. "The original ethnicity of the dish doesn't tie the ingredient to the original cuisine. It's just another ingredient chefs can use and adapt to various cuisines. Now you see Matsutake mushroom, which was originally used in Japanese cuisine, on French and New American menus," she says.

Vegetables have a built-in cost advantage for foodservice operations. "You don't have

FRESH TAKES: FOODSERVICE EXPERTS TALK OBSCURE PRODUCE

Executive Chef Kyle Mendenhall of The Kitchen restaurants in Colorado, Illinois and soon-to-be Tennessee talks about a few of his favorite produce items:

• **Rutabaga:** "A few years ago you really couldn't find a rutabaga. Now there are a lot of varieties available. They taste like a cross between a turnip and a radish. My favorite way to cook them is a long, slow salt roast — roasting radishes completely covered in salt. It seasons them and makes them creamy inside."

• **Kohlrabi:** "It's a brassica like broccoli, a root that can be steamed, sautéed or roasted. People see it and say 'What is this weird vegetable?'"

• **Watermelon Radish:** "It has a sharp, fresh radish taste. The name is because it's green outside and red inside."

• **Sylvestra Wild Arugula:** "These greens are mild and just a little bit peppery. It's a break from Baby spinach, which is not one of my favorites because it really doesn't have much flavor."

• **Treviso:** "It's a green in the chicory family so it has a bit of bitterness that's good for mixing with milder greens."

• **Finger Limes:** "Very tart taste. Split them open and it looks like citrus caviar. They are great in sorbet and add these little blasts of tartness."

• **Pomelo:** "Known for its large size, thick skin and a citrus flavor that's less bitter than grapefruit."

• **Green Strawberries:** "Unripe strawberries are perfect for pickling."

• **Bubble Gum Plums:** "We love these

plums. They really have a bubble-gum aroma."

Corry Laurendine, sales manager for Los Angeles-based California Specialty Farms, talks hot produce items requested from foodservice orders.

• **Beets:** "Not that long ago beets had a bad reputation for tasting earthy, but they are coming back now. Baby beets are huge. I especially like the Chioggia."

• **Potatoes:** "There's so much going on with potatoes, especially in the Fingerlings. There are a lot more colors including some that are red inside. I like the striped Masquerade, and the little Pee Wees and Marbles. Fingerling-sized baby yams have become incredibly popular."

• **Chilies:** "It's all about the hotter-the-better peppers. First we had jalapeños, then habaneros, Ghost peppers, then hotter still to the Scorpion pepper and now, The Reaper. Peppers are very important in vegan and vegetarian cooking where you need to perk up the flavor."

• **Turmeric:** "I'm seeing fresh root grated on dishes (particularly South Asian) and also added to smoothies."

• **Galangal:** "Galangal is a root similar to ginger except milder and more fragrant. It's used in Southeast Asian soups and stir fries."

• **Legumes:** "Plant-based protein is big now in foodservice. We have a strong demand for all kinds of lentils and fresh peas and beans including colorful varieties like China long Purple "Snake" beans and Dragon Tongue beans." **pb**

foodservice profile ▶ vegetarian

all that cost tied up in a piece of meat in the center of the plate, so you can serve a much more interesting plate for the same food cost. I think the real problem is chefs who haven't changed their mentality yet and still think of vegetables as side dishes," offers Laurendine.

Technomic confirmed in recent surveys that women and younger consumers lead the pro-veggie parade. Not surprisingly, when it comes to meat or seafood as a preferred dinner ingredient, men significantly outnumber women. When it comes to being vegetarian, women (39 percent) greatly outnumber men (29 percent) and the same is true for vegan (20 percent women versus 11 percent men). About 85 percent of those surveyed by Technomic said they were eating the same amount or more



Mushroom Appetizer

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**Chef Steven Satterfield's
Sautéed Rainbow
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PHOTOGRAPHY BY JOHN KERNICK FROM ROOT TO LEAF COOKBOOK

vegetarian meals than two years ago — again with a much higher percentage for women, Millennials, and members of Gen Z.

The University of Massachusetts has been ahead of the curve when it comes to delivering produce-centered cuisine to students and staff and has been schooling students as well as other foodservice operations how to make plant-forward cuisine a success.

“A plant-based way of eating gained popularity each year at UMass, and it is happening everywhere in colleges and universities,” says Ken Toong, executive director of UMass Amherst Dining at the University of Massachusetts in Amherst. The nation’s largest university foodservice program spends more than \$3 million annually on produce, he says.

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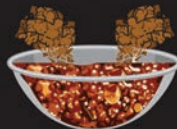
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“This year alone, we increased our plant-forward offerings by 30 percent with new recipes focused on the Mediterranean Diet,” says Toong.

Some might wonder whether those students secretly rebel against dinner choices that include smaller burgers (made from a beef-mushroom blend) or cucumber, avocado and mango sushi rolls with spicy mayo. According to Toong, student-customer-satisfaction survey scores are at “an all-time high.”

‘RESPOND TO THE HARVEST’

Sarah Brito, executive director of the Boston-based nonprofit network for culinary professionals, Chefs Collaborative, attributes the rise in meatless dining to a confluence of factors including news about diet-related diseases, a generational taste for produce fostered by upgraded school lunch programs, and familiarity with vegetable-centric fare at Chipotle, Panera Bread and Asian restaurants.

Evidence of the change in approach is most apparent in the fine dining arena, says Brito. “So often in the past really good vegetable dishes were relegated to the side dishes section that nobody pays any attention to.

Now, at Charlie Bird (an American-fare restaurant in New York) “there is a whole section called Vegetables that’s given the same status on the menu as Pasta and Meats,” says Brito.

The up-and-coming generation of chefs is focusing as much attention on vegetables and fruits as earlier culinary creators did on meat, poultry, fish and seafood. “There is a movement toward eating less — but much better — meat with an emphasis on sustainability,” says Brito.

Chefs Collaborative did a podcast with Chef Steven Satterfield in March 2015 (“Can Veggies Take the Center of the Plate?”), which discussed how a veggie-centric eatery can turn a profit, fight food waste, and dependably source sustainable produce.

Satterfield is executive chef and co-owner of Atlanta’s Miller Union, a farmstead-inspired restaurant nominated for a slew of James Beard Foundation awards.

“We aim to remake the traditional dishes I ate when I was growing up in Georgia, but everything doesn’t have to be heavy and deep fried. The whole idea of the restaurant was to respond to the harvest,” says Satterfield.

Satterfield meets weekly with his staff to evaluate which produce items are in season and to build a menu around them — whether they were grown nearby or brought in by produce distributors. The meat or fish are matched to the produce.

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“The area around Atlanta is very fertile farmland and there is a huge number of farmers markets in the city itself. There’s a really cool service here that picks up unsold produce from the markets and brings it to restaurants the next day,” he says.

Satterfield says that the produce he uses at the restaurant is a little more expensive. “It should be. It was raised right with lots of labor and no cheating with pesticides. You want to use every little bit of it, get the highest yield, because it’s expensive,” he says.

LABOR-INTENSIVE VEGETABLES

Vegetable-focused fare is also hard work requiring lots of trained labor. “We start with whole vegetables, so there’s a lot of washing, peeling and chopping. We have dishes that use different parts of the same vegetable cooked different ways; for example, a roasted root with its sautéed stems and greens,” he says.

“Beyond making stock, we’re trying to use the whole vegetable and turn odds and ends into flavor,” says Satterfield. In practice, that means a steak served with leeks will have a sauce made from the tougher leek parts.

Satterfield’s recent cookbook *Root to Leaf, A Southern Chef Cooks through the Seasons* (Harper, 2015) offers detailed information about individual produce items followed by a few select recipes. “It’s like a field guide that gives you different ways to prepare the same item. Take beets: they can be sliced on a mandolin and then quick-pickled in hot brine, so they’re still crisp. You can also make a red velvet cake with beets that has a Chevre goat cheese frosting,” he says.

Diners arrive at his restaurant well educated about a wider range of vegetables and fruits and a willingness to try new ones, he says. That familiarity means Satterfield can comfortably add a changing array of produce items into the Miller Union menu ranging from persimmon and celery root to kumquats and sour oranges.

“We do cook in season, and we source locally. I love artichokes, and they don’t grow in Georgia, but we serve them anyway,” he says with a chuckle.

A lot has changed in the 20 years since Chef Mark Reinfeld started teaching vegan-cooking classes. “It was definitely more fringe back then, but there was still a lot of interest. Now you have a former president who is vegan. Even gas stations have a ‘Proudly-serving-vegan-options’ sign on the wall,” he says.

Chef Reinfeld’s cookbooks include *The Complete Idiots Guide to Eating Raw*, and his Miami-based Vegan Fusion firm offers restaurant consulting services and vegan, vegetarian,



Chef Mark Reinfeld’s
Raw Coconut Curry Veggies

PHOTOGRAPHY BY ERIK RUDOLPH



Chef Mark
Reinfeld

PHOTO COURTESY OF CHEF MARK REINFELD

gluten-free and raw food classes.

A recent professional workshop he taught for Palo Alto, CA-based on-site foodservice management enterprise, Bon Appetit Management Company included chefs from Wolfgang Puck’s restaurants, John Hopkins University and the Newseum in Washington, D.C. “They all reported a massive increase in interest in creative plant-based options from their customers,” says Chef Reinfeld, adding that even trained chefs get stumped when it comes to center-of-the-plate vegetarian entrees.

Chef Reinfeld’s vegan restaurant trends include the use of jackfruit, which can have an almost meaty texture. “It’s being used to make meatless pulled pork or Sloppy Joes. I’ve also seen beets, turnips and other roots cut very thin as ‘noodles’ for raw ravioli with cashew ‘cheese’ filling and creamy sauces. The hottest new thing is called aquafaba, the liquid around cooked and canned chickpeas. You can whip up a vegan meringue out of it, which works really well,” he says.

Chef Reinfeld also sighted sautéed (but still crispy) lotus root slices on a veggie burger and slivered hearts of palm subbing for crab meat

in pan-fried, Old Bay-seasoned crab cakes.

In 2016, Reinfeld will team up with a friend who runs an organic farm to open a fresh food market in Miami. “The idea is that plants are the way we need to eat to preserve the planet. It’s the wave of the future,” he says.

BRINGING MEATLESS TO THE MASSES

The meatless movement isn’t limited to fine dining or small vegan café chains, and is a long-term dining trend restaurateurs and foodservice operators can’t afford to ignore.

“The fast food folks know they have to change, or they’ll miss the boat. Even McDonald’s has kale on the menu now,” says Kyle Mendenhall, executive chef of The Kitchen, which is expanding its farm-to-fork mission. The Kitchen at Shelby Farms Park opens this year in 2016 near Memphis.

Kara Nielsen, culinary director at the Boulder, CO-based Sterling-Rice Group (SRG), says significant challenges lie ahead for produce companies and foodservice operators bringing meatless cuisine to the masses.

“I think it’s a real opportunity area to come up with convenient ingredients to use in meatless sandwiches. Roasted, peeled, red bell peppers have become commonly available. We should have more choices of roasted, ready-to-use peppers for use in restaurants and college cafeterias,” says Nielsen.

Some vegan chefs are trying to put the meat back into the meatless sandwich — including Minneapolis-based Herbivorous Butcher. The company crafts plant-based meats including Jalapeno Cheddar Brats, Korean Ribs, Andouille Sausage and pepperoni.

In 2016, Reinfeld will team up with a friend who runs an organic farm to open a fresh food market in Miami. “The idea is that plants are the way we need to eat to preserve the planet. It’s the wave of the future,” he says. **pb**

Packaged Nuts Generate Sales Versatility



Tips to increase the ring for packaged nuts.

BY CHRIS AUMAN

With great flavors and benefits that appeal to health-conscious consumers and that tie in to America's favorite past-times of baseball and beer, packaged nuts offer produce departments many opportunities to fill shopping carts and increase sales. Whether packaged shelled or in shell, or as an additional ingredient in a healthy snack (such as energy bars), nuts sell themselves when given the right platform and a little POS boost. The following tips from individuals on the supply side of the packaged-nut business can help produce departments increase the ring of packaged nuts.

MAKE THE HEALTH HALO VISIBLE

Every product wants to wear the health halo. Nuts naturally meet these standards, but many consumers may fail to see it. Nuts are a wondrously healthy food and, as a 2013 study in the *American Journal of Clinical Nutrition* shows, adults who add nuts to their diet do not

put on weight despite the additional fat content.

Beth Sequeira, who handles sales and marketing for Keenan Farms based in Avenal, CA, says pistachios are a great way for consumers to stick to a healthy diet without sacrificing flavor. "Many health-minded consumers are searching for nutritionally abundant snacks that taste great and keep them on a healthy path," says Sequeira. "We encourage and work with our retail partners to entice first-time purchases with special pricing or through eye-catching displays. Our goal is to make pistachios a 'must have' grocery list item."

Healthy food choices grew beyond a trend and into a movement that impacted every aisle of grocery stores throughout the U.S. While consumers are aware of nuts as a natural product, the health benefits should not be taken for granted. This factor required many companies to rethink their product lines. For Howard Brandeisky, senior vice president of global marketing and customer solutions for John B. Sanfilippo & Son, based in Elgin, IL, this new approach yielded positive results.

"Our Orchard Valley Harvest brand has enjoyed exceptional success, with double-digit sales growth in our last fiscal year," says Brandeisky. He attributes the success of Orchard Valley Harvest to the company's repositioning of the brand to meet the needs

of consumers looking for more wholesome products. "The first key trend we tapped into is consumers' desire for less processed products and cleaner ingredient lines," he says. "We reformulated our Orchard Valley Harvest products to have 'no artificial ingredients' and also to be 'non-GMO verified.' We also updated our packaging and in-store communication to better communicate these brand benefits to consumers."

Eric Boonshaft, brand marketing director for Hampton Farms, headquartered in Severn, NC, recognizes this shift toward healthier offerings. "We also encourage customers to communicate the health benefits of snack nuts. For example, peanuts have 7 grams of protein per serving (more than any other nut), contain more than 30 vitamins and nutrients, and peanuts are naturally cholesterol-free. Today, consumers are looking for foods and beverages that foster health and wellness. Snack nuts are a great part of a well-balanced diet."

For many consumers, the health benefits gained from packaged nuts are generally accepted, but there's always room for more education. Cindy Wise, executive vice president of the Texas Pecan Growers Association headquartered in Bryan, TX, would like to see pecans gain more traction as a healthy food choice. Wise does not think consumers are



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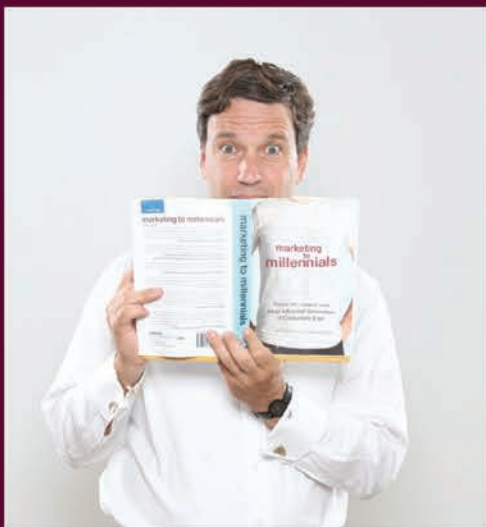
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dried fruits & nuts ► packaged nuts

as aware of these benefits as they could be.

“If they were,” says Wise, “I believe we would see a greater demand for pecans.” Work is being done to help correct this thinking however, as she explains: “The industry is in the process of implementing a federal marketing order, which will hopefully generate funding on a national basis so we can do a better job of promotion. We know pecans rank high in nutritional qualities and look forward to communicating this to consumers.”

Matthew Buckley, executive vice president, sales and marketing at Mamma Chia, sees room for improvement in education as well. Mamma Chia’s line of Vitality Bars and Granola clusters contain almonds, pecans and peanuts, in addition to the brand’s signature organic chia seeds, and have been given space in produce departments. “Many consumers understand that nuts are generally healthy for them,” Buckley explains, “but I am not sure they fully understand the specific health benefits derived from each of the different types of nuts. I think there is still a need to help educate consumers on the specific benefits of the various nuts carried in produce.”

USE RECIPES FOR SUCCESS

Nuts have enjoyed a long history as a cooking and baking ingredient, and the John B. Sanfilippo & Son company has seen impressive results from its Fisher brand recipe nuts. “Based on our tracking of the category,” Brandeisky says, “Fisher recipe nuts has taken over as the branded share leader of the recipe nut category.” This is due to the increase in the use of nuts by consumers as ingredients in salads and as toppings on cereal and yogurt. Nuts are no longer simply relegated to the role of enhancing baked goods, they’re becoming much more ubiquitous in kitchens across the country. “That’s why we refer to that part of the category, formerly referred to as ‘baking nuts, as ‘recipe nuts’ instead,” says Brandeisky. “We’ve built the Fisher brand with our sponsorship of the Food Network and celebrity chef Alex Guarnaschelli, which enables us to provide our consumers with engaging recipe content and other tips from the Fisher brand.”

Sequeira at Keenan Farms sees the possibilities for the growth of pistachios as a recipe nut as well. “Both in-shell and shelled pistachios are perfect for snacking,” she says, but “shelled pistachio kernels also offer a unique, flavorful and colorful ingredient for salads, savory main dish recipes and sweet desserts.”

APPEAL TO IMPULSE

Consumers who buy on impulse are coveted

by retailers, and this provides a great opportunity for sales. According to Brandeisky, “A large part of nut purchases are an impulse buy, especially in the produce section of the store. Displays that prominently feature the nuts will help drive incremental impulse sales.” Brandeisky offers a simple way to display packaged nuts. “A common but effective approach for displaying nuts in the produce section is to use wooden produce crates as platforms,” says Brandeisky. “The crates are in keeping with the feel of the produce section while reinforcing that nuts are a naturally grown product like the fruits and vegetables available in the produce section.”

Boonshaft of Hampton Farms also recognizes the impulsive appeal of packaged nuts. “Snack nuts are a great impulse purchase,” he says. To appeal to that impulse, he recommends a combination of displays, signage and special pricing. “We see almost a 200-percent volume lift when our in-shell peanuts are on feature and display.”

Sequeira recommends displays that call out to consumers as well. “Attractive displays do a great job of catching consumer attention, so they can be placed in logical locations throughout the produce section, near beer displays and at check out,” she says.

THINK OUTSIDE THE SHELL

Eating a handful of nuts as a snack and incorporating nuts into recipes in pies and pastries or as toppings for salads, yogurt and ice cream is a good way to get the protein nuts provide, but there are other tasty and healthy alternative delivery systems available. Mamma Chia has partnered with retailers to merchandise its products in the produce department, which drives sales through multiple purchase offers and displays.

According to Buckley, placement of Mamma Chia Vitality Bars in produce departments has been one way to increase sales. “The Mamma Chia Vitality Bars utilize either store merchandising racks or dedicated Mamma Chia Destination Centers typically being waterfall in front of produce displays such as apples or bananas,” says Buckley.

TIE IT IN

Tie ins are another effective path that leads produce departments toward increased sales.



No offense to Cracker Jack, but when most people sing “Take Me Out to the Ball Game,” they’re thinking peanuts in the shell, and beer of course. The salty taste of nuts go great with America’s favorite adult beverage.

“We’re excited to launch a national tie-in promotion with Budweiser to kick off the 2016 Major League Baseball season,” says Boonshaft of Hampton Farms. He recommends a case stack of Hampton Farms in-shell peanuts placed in the beer aisle to bring the ballpark experience into the living room. Boonshaft says, while Hampton Farms products are typically found in the produce section, “Cross-merchandising packaged nuts with carbonated soft drinks or beer can also increase dollar ring.”

Keenan Farms has seen success in sales through the use of branded displays featuring rotating themes. Sequeira says, “each themed display serves its purpose throughout the year. Sports themes tie in well with various seasons and our heart-healthy displays focus on an important health message that reignites with consumers all year long.”

Consumers’ growing interest in where their food comes from also provides opportunities for tailored displays.

According to Sequeira, “We also unveiled a new farm fresh shelf display this year showcasing the farm to fork theme. Keenan Farms is family owned and California grown, something we’re proud of and happy to share with our customers.”

Following these tips will help produce managers drive the sales of packaged nuts as they fill consumer shopping carts with tasty, healthy snacks and cooking ingredients. **pb**

In Memoriam

Ralph Comunale

June 12, 1953 – December 25, 2015



The produce industry lost a true gentleman and well-respected figure within the Hunt's Point Market on the morning of December 25th, 2015.

Ralph Comunale started his career at "R&C" Comunale, his family's watermelon and wine grape business over 48 years ago at the age of 14. He worked side-by-side with his father and mentor Cono Comunale and became a full-time partner at the age of 18. While he was at "R&C" the Ralph's Best label named after his grandfather was developed and became a brand name in the market that continued in the family's wholesale business for over 26 years. The label continues on at E. Armata Fruit & Produce where Ralph was a senior sales manager for over 20 years. During his time in the market he specialized in the buying and selling of watermelons and fruit. He eventually sold the full line-up of all fruit, vegetable and specialty items to his many customers both inside and outside the market.

Ralphie was a people person and truly loved to sell, just like his grandfather Ralph. He had a philosophy that you should have fun at work and made it fun for all who had the privilege of working with him. Ralph had a way about him that made customers feel important and special. They always left with a smile and came back eager to buy from him.

Ralph Comunale leaves behind his wife, Roseann; son Joseph, 29; daughters Lisa, 35 and Jennifer, 33; father Cono Comunale; mother Ann Comunale; sisters, Karen Parrotta and Vivian Flood; brother Rich Comunale; and 3 grandchildren.

"Ralph was a true market personality with a gift for sales and establishing "true" long lasting relationships. It was pleasure to have worked with him for so many years, he will be greatly missed by all at E. Armata and the entire produce industry." — Paul Armata



Consolidation Protocol

BY DON HARRIS

Over the years, our industry experienced a series of consolidation amongst various retailers into stronger units. We may be entering another one of those phases. During these times, management is constantly challenged with incorporating various aspects of different philosophies into one strategy. In more than one occasion, the acquiring entity forgets to realize the value of the company that it is acquiring.

Having been involved in a number of these types of situations, it is obvious that there is a right way and a wrong way to handle the situation. Sometimes the acquiring company takes an arrogant stance that is not conducive to a smooth transition. In fact, I was once involved in a meeting where various ideas of consolidation protocol were being discussed. When any challenges came up to management's approach to the integration, the reply was, "Who bought who?" This is just another occurrence of where management "just doesn't get it"!

Consolidations, by nature, tend to have one side that is in control and the other side subservient to the wishes of the bigger party. It is how the relationship between these two parties is handled and the strategic advantages developed from the union that determines the overall success. Many times, the party with the upper hand forces its culture and operational philosophy upon the one being acquired. This is done for no better reason than the ego of the acquiring company. A response such as, "Who bought who?" is a reflection of the feeling of superiority by the acquiring company.

This feeling of superiority allows management to make ill-advised changes to the smaller operation, which has negative consequences. It must always be remembered that the entity being acquired had some measure of recent success, or it would not have been a target for acquisition. To simply dismantle successful programs and enforce different guidelines to fit the acquiring company's operational philosophy is inherently dangerous to the successful incorporation and continued growth of the combined organization.

There have been good examples of consolidations by utilizing a more measured approach to the incorporation and mutual benefits of the organizations. Forward-thinking companies do a better job of documenting and exploring the successful aspects of their acquisition. They learn what the company does well and what the customers believe make it the retailer-of-choice.

An enlightened retailer uses the integration to reinforce and continue the successful, consumer-friendly behaviors and to con-

fine the initial consolidation to backstage activity. In this manner, consolidation can be accomplished with minimal change and/or controversy from the customers and employees. Most importantly, customers perceive there is no change in their favorite store. The consumer may not perceive the benefits of backstage improvements in economies of scale in the immediate future; however, over time, these benefits will be exposed to improve efficiency at store level and to create competitive pricing.

There is a pitfall to this approach if there is a lack of follow-through after the investigation of the positive attributes of the acquired company. In this case, new management largely ignores and modifies these concepts to fit its philosophy. This leaves the customer feeling that while the new company asked for their input and preferences, the acquiring company goes ahead and does what it wants to do anyway. This type of decision-making causes more damage than simply going ahead and changing everything for change sake. Essentially, new management betrayed the goodwill of the customer by taking their input, ignoring it, and modifying it to their own purpose.

We only need to look back to the large wave of consolidation in the late 90s to find examples where the ego of the acquiring company — and its actions to modify the acquired company — led to retail disaster. The ironic part of this is that, instead of taking advantage and learning concepts that would help the larger entity move forward, these positive aspects were lost, along with the reputation of perception of the smaller companies.

On the other hand, those companies that displayed the more enlightened approach enjoyed the fruits of labor by moving the larger combined operation forward by driving successful operations and sales growth. Many economists believe that consolidation has a number of advantages, both operationally and financially. However, in the world of retail, such advantages are only available if management checks its ego at the door.

pb

To simply dismantle successful programs and enforce different guidelines to fit the acquiring company's operational philosophy is inherently dangerous. ...

Don Harris is a 41-year veteran of the produce industry, with most of that time spent in retail. He worked in every aspect of the industry, from "field-to-fork" in both the conventional and organic arenas. Harris is presently consulting and is director of produce for the Chicago-based food charity organization, Feeding America. Comments can be directed to editor@producebusiness.com.



It's Time For Wholesalers To Embrace Local

BY ALAN SIGER

While attending the New York Produce Show this past December, I had the chance to spend time with a few dear friends in the wholesale produce business. Most of these folks have operations on a terminal market, or are major distributors in the area they service; their companies are family-owned, some with the third generation now running the show. Nearly everyone I was with was born and bred into the produce business.

While catching up, our conversation turned to how today's wholesaler is affected by the explosion of interest in local produce. For Midwestern and Northeastern wholesalers, sales always softened somewhat as the local harvest of fresh fruits and vegetables started. For example, in Pittsburgh, one did not have to look at the calendar to know that August was upon us. Many folks had backyard gardens and shared the bounty of their efforts with friends that did not. Years ago, retail chain stores would sell some local products (particularly sweet corn and tomatoes), but stores did not make a concerted effort to push local crops.

In the past few years, as retailers capitalized on the public's interest in locally grown product, the landscape changed dramatically. For many wholesale distributors, the seasonal downturn in sales caused a significant hit to the top line. It doesn't matter that there is no definition of locally sourced product. One retailer may define local as grown within a certain radius of their stores, yet another may define it as grown-in-state. It also doesn't matter that locally grown does not mean safer or more nutritious. Perception is reality, and what matters is the explosion of consumer demand for locally grown fruits and vegetables is real and is here to stay for the foreseeable future.

So how does the produce wholesaler take advantage of this trend and turn it into revenue growth? My friends lament about how unfair it is that major customers require wholesalers to obtain extensive food safety certifications, while that customer looks the other way with a small farmer, because he or she is a local grower. This changed with the November 2015 release of the final FDA Food Safety Modernization Act (FSMA) regulations that require even small growers that distribute to commercial retailers or foodservice to meet minimum requirements over the coming years.

Soon, large retailers will reject product that has not been certified to have met the required standards under the new FSMA regulations. Industry leaders, such as Wegmans, did not wait until now to act, but rather worked with the small growers in their area to help them do

what it takes to establish a qualified food safety program. More than 10 years ago, Wegmans established a program to assist hundreds of local suppliers to reach at least the minimum standards of Good Agricultural Practices. Alongside Cornell University, Wegmans worked to establish an education program geared to assist small growers with the cost of audit programs to ensure a safe source of locally grown product.

This change in the regulations offers wholesalers an opportunity to become a distribution hub for small regional growers. Wholesalers need to quit whining about the USDA's pushing locally grown at the expense of other sourced product; the "know your farmer, know your food" slogan may go away, but the consumer's interest in where their food comes from will not.

To ensure compliance with the new regulations, smaller growers who traditionally sold product to the local chain store will soon be scrambling to be able to continue to sell to that customer. Now is the time for wholesalers to reach out to local growers with a program similar to Wegmans' to help them comply with the new FSMA regulations.

To enable a consistent source of local product to meet your customer needs, you should consider looking into setting up an education program for regional growers. Use this program to promote your company to the rapidly expanding local grower community. Offer assistance with the compliance audits and paperwork. Offer the program for free, or at a nominal cost, if growers agree to have you market product for them.

In addition to building a base of certified regional suppliers, you'll build your company's reputation as being the go-to place for both growers and buyers of locally grown produce.

This will increase your visibility, help you to gain new customers, and grow sales in your overall product line.

Look around, the produce marketing landscape is rapidly changing. Many of these newer local growers have never heard of a terminal market, and they are unaware of what the modern wholesaler can offer. It's time to make local an asset to your bottomline. **pb**

Alan Siger is chairman of Siger Group LLC, offering consulting services in business strategy, logistics, and operations to the produce industry. Prior to selling Consumers Produce in 2014, Siger spent more than four decades growing Consumers into a major regional distributor. Active in issues affecting the produce industry throughout his career, Siger is a former president of the United Fresh Produce Association.

Wholesalers need to quit whining about the USDA's pushing locally grown at the expense of other sourced product; the "know your farmer, know your food" slogan may go away, but the consumer's interest in where their food comes from will not.



Why European Supermarkets Love To Pack Produce

BY MICHAËL WILDE

Like many other produce professionals, I seem to be magically drawn into every supermarket I pass to conduct a quick produce store check. This is particularly the case when I am traveling, and as a consequence I have seen the best and the worst when it comes to positioning fresh fruits and vegetables.

One of things that I immediately notice is whether I am looking at a produce section filled with fresh, beautiful, colorful fruits and vegetables, or — as is unfortunately too often the case — a sea of plastic.

The differences between the U.S. and certain countries in Europe are huge. On your side of the Atlantic, the presentation is so beautiful that you could almost ask an entrance fee to the produce aisles. On “this side of the pond,” merchandising is a lot different, although we are seeing a strong movement away from plastic.

So why are we so addicted to packaging here in Europe? It’s all a state of mind.

Convenience – Supermarket produce category managers want to make the life of shoppers as easy as possible by pre-packaging tomatoes, apples, peaches, peppers etc. A tray of apples means less juggling in the aisle.

Hygiene – The less number of hands that touch a product, the more hygienic it is. If a product is packed, you avoid other people’s microbes.

Shelf life – For certain fruits and vegetables, the natural (perceived) shelf life is longer when a product is packed. Foil-wrapped cucumbers are an often-cited example.

Standard Pricing – Packaged produce means standardization for example in the form of preprinted labels.

Communication – Supermarkets, farmers and wholesalers can use a packed product as a form of communication, a way of distinguishing oneself from the rest if you like.

Although I am a huge fan of the U.S. “don’t pack model,” I have to admit the above points sound quite logical to me. Nevertheless, as sensible as they may be, many European supermarket chains



are radically changing their strategy in order to polish up their premium image and draw more consumers into their stores. On the one hand, we are seeing packaging being dropped completely. On the other hand, there is a move toward more sustainable forms of material including sugar cane and bio plastic.

Whatever the reason, from an organic perspective, we are delighted that the sea of plastic is slowly turning into an ocean of color, health and taste. **pb**

Michaël Wilde is the communications and sustainability manager at Eosta B.V., a Netherlands based international distributor of fresh organic fruits and vegetables. Eosta is not only known for its innovative Nature & More trace-and tell system but also for its effective campaigns. Currently, with 200 partners (including the FAO), the company is raising awareness about soil through the Save Our Soils campaign.



How HMR Progresses The Produce Industry

BY RICH ROTZANG

Gone are the days of dry macaroni salad, mayonnaise-laden potato salad, and soggy coleslaw. The clear line that used to separate produce from HMR (home meal replacement) — or rather, fresh fruits and vegetables, from their creamy not-so-fresh counterparts — is not so clear anymore. Today's HMR department is a showcase of fresh, innovative recipes and ingredients, which helped raise the profile of all fresh food offerings at the grocery store. For the produce industry, it's simply a matter of embracing the connection between HMR and produce, and inspiring consumers with fresh, delicious meals that continue to impress.

Over the past few years, the grocery industry has benefited from a monumental shift in consumer preferences in home meal replacement. First, consumers have become extremely aware of, and concerned with, what they are eating. Healthy eating is no longer just a trend, but a generational lifestyle choice. Whether it's green "superfoods," ancient grains, or vegetarian alternatives, consumers expect fresh, healthy and delicious food, no matter where they shop. Second, for the first time in history, grocery stores are taking market share away from restaurants for prepared foods. Consumers now expect restaurant quality foods at their local grocery store. In fact, many supermarkets now transformed the HMR departments into destinations unto themselves, wooing consumers with artisanal breads, cheeses and dining options that compete with the finest restaurants.

These trends changed the produce industry in a number of ways. To start, the expectation of high-quality, fresh offerings spurred the produce industry to innovate and create value-added products that complement the service case. Today, it's not enough to offer bagged mixed greens or pre-cut Romaine lettuce. Produce suppliers on the forefront are now offering a variety of delicious salad kits filled with a variety of innovative ingredients such as pre-cooked grains and pastas. Take for example, a Southwest Salad kit with corn, black beans and ranch dressing that can be mixed at home along with a side or protein purchased from the service case.

Beyond the produce aisle, the focus on fresh in HMR has also introduced an opportunity for produce suppliers that are no longer limited to the produce department and salad bar. Fresh-cut vegetables are now an integral part of many deli salads, so whether the

HMR department makes salads in store, or works with a salad and prepared foods manufacturer, the department will need to source the fresh component. Furthermore, because produce has an inherent "freshness," adding fresh vegetables automatically validates the freshness of the HMR department. Finally, for the produce industry, the HMR channel offers another avenue to get in front of the consumer without the costs associated with branded consumer products such as bagged salads or commoditized whole fruits and vegetables.

So where will these trends take produce? With more of today's consumers taking an interest in what they are eating, we are witnessing a resurgence of consumers cooking at home. However, unlike our grandparents, we don't have the time to cook everything from scratch. For the produce industry, now is the time to start thinking about value-added products that are ready to use in the kitchen. Any recipe that benefits from fresh vegetables that are prepped and pre-portioned, for example, cut veggies for stir-fry, make an ideal kit that can be purchased in-store and finished at home. Furthermore, creating cook-at-home kits is a great way to work with your meat or fish department to create a beautiful protein/veggie combo that both departments can cross-merchandise.

Today, in consumer's eyes, the line between produce and HMR is blurred, and this will continue to be the case as long as the HMR remains a destination for fresh, delicious prepared food. For produce departments and produce suppliers, there is tremendous upside in continuing to drive innovation in fresh offerings and redefining the grocery shopping experience in a time when consumers are demanding fresh and healthy meals that are unique, inspiring, and most of all, delicious.

pb

Produce suppliers on the forefront are now offering a variety of delicious salad kits filled with a variety of innovative ingredients such as pre-cooked grains and pastas.



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Rich Rotzang is senior director of marketing and communications at Tiffany Gate Foods. Tiffany Gate Foods designs and manufactures fresh gourmet salads, prepared foods, soups, dressings and other home meal replacement solutions in complete kits or as individual components.



Embracing The Slow Cooking Trend

BY AMY MYRDAL MILLER MS, RDN, FAND & CHEF SUVIR SARAN

Suvir and I have been watching the slow cooking trend with great amusement. The goal seems to be preparing food faster ... in a slower manner.

The social mindset driving this trend is very understandable. We're living in a very fast-paced world, and the foodies among us are striving to preserve some peace and sanity in the kitchen by using a seemingly old-fashioned technique and tool in new ways.

The concept of slow cooking or slow food certainly isn't new. In fact, up until the 1950s, when "TV dinners" and other convenience foods were introduced, food preparation was a task that consumed much of a typical housewife's day. As innovation and technology offered increasing options for convenience and ease, and as more women joined the workforce, time spent on household "chores" like cooking and kitchen cleanup decreased.

While most 1950's housewives likely welcomed the arrival of products that provided greater convenience, not everyone applauded these societal changes, viewing them as detrimental to food culture.

Slow Food International was launched in 1989 as a global, grassroots organization designed to "prevent the disappearance of local food cultures and traditions, counteract the rise of fast life, and combat people's dwindling interest in the food they eat, where it comes from, and how our food choices affect the world around us." There are now millions of people in more than 160 countries participating in Slow Food efforts to enhance the mindful appreciation of food.

So how little time is now spent on cooking at home? A recent USDA ERS analysis shows Americans currently spend an estimated 33 minutes per day on food preparation and cleanup. And we spend less time on food preparation than residents of other western countries. Women tend to spend more time on food preparation than men do, but data also shows the amount of time men spend on food production is increasing. Food retailers shouldn't discount men when it comes to food selection and preparation, especially those Millennials who are eager to embrace the next food trend with deeper meaning — slow cooking is one of these trends.

The amount of time spent preparing food also affects diet quality. There are several recently published studies that show a positive correlation between the amount of time spent shopping for and preparing food and diet quality, including greater fruit and vegetable intake. Anyone who cares about fruit and vegetable purchase and consumption patterns should also care about home-food preparation habits and trends.

So how can you use the slow cooking trend to sell more produce? Focus on lifestyle messages of comfort and convenience more than "this is good for you" messages about fruits and vegetables. And don't forget the flavor benefits of slow cooking. Moist, juicy, flavorful, succulent, and creamy are a few seductive terms that come to mind.

The "American Time Use Survey," a U.S. Census Bureau assessment of how people spend their time, shows that American adults have about 45 minutes per day to devote to exercise and food preparation, and an increase in one area will result in a decrease in the other.

This trade-off trend is true for men and women, regardless of marital status or the presence of children in the home. So if you are promoting health and wellness in your store, consider how certain messages may impact overall health. A slow cooker is a powerful asset for a home cook who wants to save valuable free time for other health-promoting pursuits like a daily fitness walk.

America's Test Kitchen, a Boston-based company that produces public television programming and publishes *Cook's Illustrated* and *Cook's Country* magazines, recently released *Slow Cooker Revolution*. This soft-cover, magazine-style cookbook features the "usual suspect" recipes for one-dish meals, but it also highlights how awesome a slow cooker can be for making easy side dishes and desserts — including a Carrot Cake that derives

its moist, appealing texture from the cooking technique instead of excess vegetable oil. The editors of *Slow Cooker Revolution* also highlight the power of a slow cooker on those days when you wish you had two ovens, days like Thanksgiving when the turkey won't share the oven with the Brussels sprouts, sweet potatoes, and apple pie.

The National Restaurant Association released its Top 20 Food Trends for 2016 in December, and included in the Top 5 were "natural ingredients/minimally processed foods." Is this not another way to say "fruits and vegetables"? Why not capitalize on this trend and show consumers how easy it is to use all natural, minimally processed fruits and vegetables in easy slow cooker recipes?

Next month, we'll talk about the importance of fat quality versus fat quantity when it comes to better health and better flavor. Have a topic you want us to cover in future issues? Let us know via Twitter @AmyMyrdalMiller and @SuvirSaran.

pb

Anyone who cares about fruit and vegetable purchase and consumption patterns should also care about home-food preparation habits and trends.

Amy Myrdal Miller, MS, RDN, FAND, is a farmer's daughter from North Dakota, an award-winning dietitian, a culinary nutrition expert, and founder and president of Farmer's Daughter Consulting LLC. Suvir Saran is an award-winning chef and restaurateur. Born in Delhi, India, today Chef Suvir lives on a farm in upstate New York.



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TAKING CHANCES

In 1987, about a year after she started her business importing produce, Janice Honigberg, president of Schiller Park, IL-based Sun Belle Inc., made her first major investment.

"I took out the company's first and only loan to buy the forklift," she recalls from the picture. "I went to the Signet Bank branch on Capitol Hill and took out a \$10,000, five-year note. It was the biggest deal at the time for me, because it represented a lot of money and commitment."

Prior to the photo, she was working out of a spare bedroom in her home in Washington, D.C. to get the company started. Honigberg was focused on a mission to "represent excellent growers from Latin America and bring top-quality product directly to supermarkets at the peak of freshness."

After a raspberry shipment of several E-sized containers holding about 32 flats a piece from Chile arrived upside-down at Washington Dulles International Airport, Honigberg reevaluated her delivery strategy.

"Shipping directly to customers was not so simple," she admits. "I was compelled to open a warehouse, so we could receive and inspect the product as well as stage and deliver orders for customers. I found this handy space [pictured] of about 5,000 square feet near Florida Avenue and 4th Street Northeast in D.C.

The building was actually an old meat warehouse, and when we moved in, there were still the huge meat hooks hanging from the metal grid on the ceiling."

Since the warehouse did not have a dock, the next order of business was to acquire the forklift, "so we could drive out to the street to load and unload shipments from trucks. We actually retired that forklift about 20 years later. It lived a very youthful life," jokes Honigberg.



Celebrating its 30th anniversary this year, Sun Belle Inc. has since moved to a few other warehouse locations to accommodate the company's growth. "In 2011, we inaugurated a 63,000-square-foot facility in Jessup, MD," says Honigberg.

In addition to the Schiller Park and Jessup locations, the company also has distribution centers in Miami and Los Angeles. "We developed a market strategy to have warehouses near major markets," explains Honigberg.

She says her pride and inspiration derive from building business, developing new products, exploring new markets, and experimenting with new varieties. "I'm always striving to see what can be done better; what can be done next. There is a mission to do great work everyday. As they say in the produce business, 'You're only as good as your last delivery.'" **pb**

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Albert's Organics	67	800-996-0004	www.albertsorganics.com
E. Armata, Inc.	83	800-223-8070	www.earmata.com
Associated Potato Growers, Inc.	62	800-437-4685	www.apgspud.com
Maurice A. Auerbach, Inc.	56	201-807-9292	www.auerpak.com
Basciani Foods, Inc.	76	610-268-3044	www.bascianifoods.com
Black Gold Farms Inc.	61	701-792-3414	www.blackgoldfarms.com
Blue Book Services	89	630-668-3500	www.producebluebook.com
Canadian Produce Marketing Association	72	613-226-4187	www.cpm-a.ca
Capital City Fruit Co., Inc.	26	515-981-5111	www.capitalcityfruit.com
Christopher Ranch	57	408-847-1100	www.christopherranch.com
Classic Yams	63	209-394-8656	www.classicyams.com
Country Fresh Mushroom Co.	77	610-268-3043	www.countryfreshmushrooms.com
Creative Options Communications	50-51	972-814-5723	www.palmelitas.com
Del Monte Fresh Produce	92	800-950-3683	www.freshdelmonte.com
Dole Fresh Vegetable Co.	2	800-333-5454	www.dole.com
dProduce Man Software	27	888-PRODMAN	www.dproduceman.com
Farmer's Daughter Consulting LLC	65	916-564-8086	www.farmersdaughterconsulting.com
Fierman Produce Exchange	27	718-893-1640	
Four Seasons Produce, Inc.	7	800-422-8384	www.fsproduce.com
Fresh Origins, LLC	45	760-736-4072	www.freshorigins.com
Freska Produce Intl, LLC	48	805-650-1040	www.freskaproduce.com
Garber Farms	63	337-824-6328	www.garberfarms.com
Giorgio Fresh Co.	77	800-330-5711	www.giorgiofresh.com
Gourmet Specialty Imports LLC	56	610-345-1113	
Growers Express/ Green Giant	71	855-350-0014	www.greengiantfresh.com
Harris Consulting Solutions	48	269-903-7481	
Highline Mushrooms	78	519-326-8643	www.highlinemushrooms.com
I Love Produce LLC	57	610-869-4664	www.iloveproduce.com
Idaho Potato Commission	59	208-334-2350	www.idahopotato.com/retail
Kern Ridge Growers, LLC	66	661-854-3156	www.kernridge.com
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COMPANY	PAGE #	PHONE	WEBSITE
LGS Specialty Sales, Ltd.	32	800-796-2349	www.lgssales.com
LGS Specialty Sales, Ltd.	39	800-796-2349	www.lgssales.com
Mann Packing Company, Inc.	11	800-884-6266	www.veggiesmadeeasy.com
J. Marchini & Son / LeGrand	23	877-899-9077	www.jmarchinifarms.com
Melissa's/World Variety Produce, Inc.	66	800-468-7111	www.melissas.com
MIXTEC Group	48	626-440-7077	www.mixtec.net
Port Everglades	77	610-268-0444	www.mjbsales.com
Monterey Mushrooms	78	636-587-2771	www.montereymushrooms.com
National Mango Board	45	877-MANGOS-1	www.mango.org
Northern Plains Potato Growers Assn	62	218-773-3633	www.redpotatoes.net
Palmelitas	50-51	972-814-5723	www.palmelitas.com
Port Everglades Produce for Better	69		www.porteverglades.net
Health Foundation	81	302-235-2329	www.pbhfoundation.org
Pure Hothouse Foods, Inc.	36	519-326-8444	www.pure-flavor.com
Robinson Fresh	49	855-350-0014	www.robinsonfresh.com
Southern Produce Distributors, Inc.	63	800-866-YAMS	www.southern-produce.com
Southern Specialties	19	954-784-6500	www.southernspecialties.com
Spice World, Inc.	56	800-433-4979	www.spiceworldinc.com
Sterman Masser Inc.	60	570-682-3709	www.stermanmasser.com
Sun Pacific	41	213-612-9957	www.sunpacific.com
Sunkist Growers, Inc.	43	818-986-4800	www.sunkist.com
Sunshine Bouquet Co.	32	305-599-9600	www.sunshinebouquet.com
Tanimura & Antle, Inc.	29	800-772-4542	www.taproduce.com
To-jo Fresh Mushrooms, Inc.	76	610-268-8082	www.to-jo.com
Triple J Produce, Inc.	63	252-205-2936	www.triplejproduce.com
Twist Ease	26	888-623-8390	www.twistease.com
United Fresh Produce Assn	42	202-303-3400	www.unitedfresh.org
United Fresh Produce Assn	68	202-303-3400	www.unitedfresh.org
The USA Bouquet Co.	8	800-306-1071	www.usabq.com
Vick Family Farms	63	252-295-8880	www.vickfamilyfarms.com
Village Farms	35	888-377-3213	www.villagefarms.com
Vision Import Group	47	201-968-1190	www.visionproduceco.com
Vision Produce Co.	47	201-968-1190	www.visionproduceco.com
Wonderful Company	5		www.wonderfulfarms.com
J. Roland Wood Produce	63	919-894-2318	www.jrwoodfarms.com

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