

# producebusiness

THE GREEN ISSUE

MARKETING • MERCHANDISING • MANAGEMENT • PROCUREMENT

CAUSE MARKETING

## Produce Departments Make A Difference



EXCLUSIVE PROFILE



SPECIAL INSERT



SEPT. 2012 • WWW.PRODUCEBUSINESS.COM • VOL. 28 • NO. 09 • \$9.99

INSIDE:

The PBNIT Looks At United/PMA Merger  
FALL MERCHANDISING • FRUIT BASKETS • NEW YORK APPLES  
PISTACHIOS • IMPORTED AVOCADOS • PERUVIAN ONIONS  
SUSTAINABLE TRANSPORTATION • POTATOES • PLUMS  
PERUVIAN ASPARAGUS • RETAIL SHOPS/OTD ATLANTA  
PHILADELPHIA MARKET PROFILE







Introducing  
**NEW** Extra Veggie™ Salads!



Inspired by consumer demand for **more veggie crunch** and **more veggie flavor** in every bite, Dole's NEW Extra Veggie™ salad blends come with a revolutionary stay-fresh pouch of veggies. These three unique varieties are sure to bring an increase in category sales!

For more information, contact your Dole Sales Representative.





COVER PHOTO COURTESY OF UNITED FRESH PRODUCE ASSOCIATION



p.30

## COVER STORY

- 21 PRODUCE DEPARTMENTS ARE MAKING A DIFFERENCE**  
 Cause Marketing is a hit with retailers and their produce suppliers.

## COMMENTARY

- 12 THE FRUITS OF THOUGHT**  
 Could Texas Association's Realignment Suggest A New Direction For PMA/United Talks?
- 128 RETAIL PERSPECTIVE**  
 Dollars And Percents
- 130 EUROPEAN MARKET**  
*Produce Trade Between Two Green Giants: An Analysis Of Food Imports And Exports Between The United States And European Union*
- 132 VOICE OF THE INDUSTRY**  
 European Flavors, The "World Tour" Of European Fruit & Vegetables Visit

p.37



## FEATURES

- 30 THE FALL PRODUCE PUSH**  
 Produce departments that don't take advantage of fall fruit and vegetable merchandising are missing out on a profitable opportunity.
- 37 FRUIT BASKETS BRING POWERFUL SALES OPPORTUNITIES TO PRODUCE**  
 Not just a holiday boost, fruit baskets can add pop to produce all year long.
- 40 NEW YORK APPLE INDUSTRY: OPEN FOR BUSINESS**  
 Despite a shortened season and a crop half its usual size, New York apples will continue to provide excellent eats.
- 46 EXPAND AVOCADO CATEGORY BY PROMOTING IMPORTS**  
 Avocados' popularity feeds growth opportunities.
- 63 CUSTOMERS FALL FOR SWEET ONIONS FROM PERU**  
 Peru's onions keep consumers happy and help fill a counter-seasonal gap for domestic sweet onions.
- 69 ASPARAGUS SALES SIZED UP SEVEN WAYS**  
 With a year-round supply and a growing consumption rate, asparagus can be a shining star in the produce department.
- 75 TRANSPORTATION OF FRESH PRODUCE HAS GONE GREEN**  
 Beyond economizing fuel and eliminating LTL trips, transportation companies are going the extra mile to help the environment.

p.46



Canada, Russia, Japan And The USA

**IN THIS ISSUE**

- 6 THE QUIZ**
- 8 TRADE SHOW CALENDAR**
- 10 WASHINGTON GRAPEVINE**
- 14 PRODUCE WATCH**
- 16 RESEARCH PERSPECTIVES**
- 17 COMMENTS AND ANALYSIS**
- 133 INFORMATION SHOWCASE**
- 134 BLAST FROM THE PAST**



**p. 103**



**p. 114**

**DEPARTMENTS**

**MERCHANDISING REVIEWS**

- 103 *Ten Best Ways To Sell More Spuds***  
 As initial forecasts call for a potentially plentiful crop, variety will indeed be the spice that drives the potato category this upcoming season.
- 114 *Consistency Counts When Merchandising Ripe Pears***  
 Educating consumers about ripened pear programs and keeping a consistent supply will boost sales year-round.

**REGIONAL MARKET PROFILE**

- 120 *Atlanta Retail Snapshot***  
 With a bustling wholesale market and plenty of chain retailers and small independents, Atlantans have their fingers on the pulse of the produce industry.

**DRIED FRUIT AND NUTS**

- 124 *Plentiful Pistachios***  
 Healthy and convenient, pistachios are on trend with today's lifestyles.

**SPECIAL INSERT**



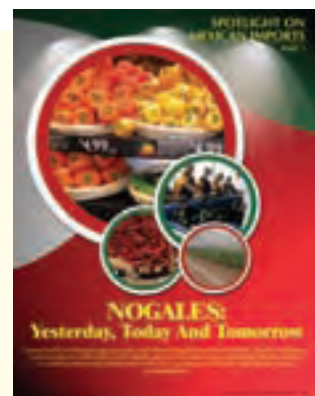
**Q & A with Alfonso Cano of Northgate Markets: Floral Is "The Icing On The Cake"**

**Grow Floral Sales With Grow-Your-Own Products**

**Opening Doors To Locally Grown Flowers**

**SPECIAL FEATURES**

- 20 FROM THE PAGES OF THE PERISHABLE PUNDIT**  
 Pundit's Mailbag — When Confronted With A United/PMA Merger Question, What Would Jesus Do?
- 51 SPOTLIGHT ON MEXICAN IMPORTS (PART I): Nogales: Yesterday, Today And Tomorrow**  
 Armed with world-class agronomists and demanding food safety standards, Mexico's produce community on both sides of the border proves it is here to stay, providing valuable assets for both growers and distributors in the U.S. ag industry with safe, high quality crops.
- 79 REGIONAL MARKET PROFILE: PHILADELPHIA PWPM Leads The Way Through Change**  
 Faced with rising costs and greater competition, Philly area merchants forge their way through tough times with innovation and adaptation.
- 96 FOODSERVICE PROFILE: Capogiro Gelato Artisans**  
*Capogiro*: Italian for giddy or dizzy; when something is so good it makes your head spin.
- 98 RETAIL PROFILE: Redner's Warehouse Markets: A Winner In The New Economy**  
 Regional chain harnesses value, relationships and employee-focus to succeed in challenging times.



**p. 51**



**p. 79**



# Sleek. Powerful. Versatile.

Up to 7,000 sparkling  
LED lumens delivered in  
track, recessed or  
pendant options  
with the

*Alpha H1*  
by **BARO**

Limitations Are  
For The Uninspired.

**BARO** North America, Inc.  
314.692.2270  
[www.baerousa.com](http://www.baerousa.com)  
[lee.rhoades@baerousa.com](mailto:lee.rhoades@baerousa.com)





**THIS MONTH'S WINNER**



**Jeff Dugan**  
**Manager Divisions Operations - Produce**  
**Dominick's/Safeway**  
**Oak Brook, IL**

Jeff Dugan has held his current position at Dominick's for six years and has spent his entire career — 31 years — working with the Safeway family. "I got an accounting degree and decided to count fruits and vegetables," Dugan jokes.

He currently manages all 72 stores in the Chicago area and is responsible for driving sales and profits of the produce division, merchandising, coaching and training all employees, and ensuring customer service is top-notch. "As you can imagine, I spend a lot of time on the road," he says. "About 75 percent of my time is spent in stores."

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

There is no doubt Dugan has a passion for produce. "I love to create eye-catching produce displays that create excitement in the department," he says. "The changing of seasons, the fact that we always have something new and we are changing with it keeps me on my toes. A can of corn is a can of corn! But the produce department is always evolving."

Dugan has been reading PRODUCE BUSINESS for 15 years. "I always find great information on merchandising, the latest food safety news and plenty of new items. It's fun getting ideas from articles and then putting my own creative spin on it."

**WIN AN INDOOR GRILL**

No need to wait for summer to be able to enjoy a perfectly grilled steak. This indoor, countertop, stainless steel grill has interchangeable non-stick plates that transform this grill into a griddle and panini maker. Six temperature controls, a stay-cool handle, drip trays and scraper will make this your new go-to kitchen appliance.



**QUESTIONS FOR THE SEPTEMBER ISSUE**

- 1) American Pistachios are the official snack for what U.S. Olympic team? \_\_\_\_\_
- 2) What is the PMA booth number for CMI Corp.? \_\_\_\_\_
- 3) What is the phone number for Coosemans Philadelphia Inc.? \_\_\_\_\_
- 4) When is the Nogales Produce Convention and Golf Tournament? \_\_\_\_\_
- 5) Name two members of the sales staff at J-C Distributing Inc. \_\_\_\_\_
- 6) What is the website for Thermal Technologies? \_\_\_\_\_

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

Name \_\_\_\_\_ Position \_\_\_\_\_  
 Company \_\_\_\_\_  
 Address \_\_\_\_\_  
 City \_\_\_\_\_  
 State \_\_\_\_\_ Zip \_\_\_\_\_  
 Phone \_\_\_\_\_ Fax \_\_\_\_\_

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

SEPT. 2012 • VOL. 28 • NO. 09 • \$9.90

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

**PRESIDENT & EDITOR-IN-CHIEF**  
 James E. Previor  
 JPrevior@phoenixmedianet.com

**PUBLISHER/EDITORIAL DIRECTOR**  
 Ken Whitacre  
 KWhitacre@phoenixmedianet.com

**SPECIAL PROJECTS EDITOR**  
 Mira Slott  
 MSlott@phoenixmedianet.com

**ASSOCIATE EDITOR**  
 Jennifer Leslie Kramer  
 JKramer@phoenixmedianet.com

**EXECUTIVE ASSISTANT**  
 Fran Gruskin  
 FGruskin@phoenixmedianet.com

**PRODUCTION DIRECTOR**  
 Diana Levine  
 DLevine@phoenixmedianet.com

**PRODUCTION LEADER**  
 Jackie Tucker

**PRODUCTION DEPARTMENT**  
 SUNSHINE GORMAN  
 FREDDY PULIDO

**TRADE SHOW COORDINATOR**  
 Jackie LoMonte  
 JLoMonte@phoenixmedianet.com

**EDITORIAL INTERN**  
 Madeline Mesa  
 Mmesa@phoenixmedianet.com

**CONTRIBUTING EDITORS**  
 John Aiello, Carol Bareuther, Julie Cook Ramirez,  
 Paula Hendrickson, Bob Johnson, Amy Landes,  
 Jodean Robbins, Barbara Robison, Lisa White

**ADVERTISING**  
 Eric Nieman, Associate Publisher  
 ENieman@phoenixmedianet.com  
 Sandy Lee  
 SLee@phoenixmedianet.com

Bill Martin  
 Martinmedia45@peoplepc.com  
 Ellen Rosenthal  
 ERosenthal@phoenixmedianet.com

**FLORAL DEPARTMENT MARKETING**  
 E. Shaunn Alderman  
 SAlderman@phoenixmedianet.com

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

PRODUCE BUSINESS is published by Phoenix Media Network, Inc. James E. Previor, Chairman of the Board P.O. Box 810425, Boca Raton, FL 33481-0425. Entire contents © Copyright 2012 Phoenix Media Network, Inc. All rights reserved. Printed in the U.S.A. Publication Agreement No. 40047928





# Harvest HOBGOBLIN®

## Table Grapes

Shipping  
Sept 4 to Oct 31

### HOBGOBLIN GRAPES FOR FALL THEMES AND HALLOWEEN SALES

Grab-N-Go Colander Bags • Bins • Shelf Dangers • Posters

It's no trick: Harvest Hobgoblin fresh table grapes will vanish like a ghost almost as soon as you display them in your produce aisles. This Fall, invite customers to stock up on these nutritiously delicious treats, an ideal addition to any holiday feast.

Premium California Table Grapes from JP Dulcich and Sons

Sold through Sunlight International Sales • Tel. (661)792-6360



Pretty Lady Grapes

dulcich.com







**N2N Global**  
Welcomes...

**The Cheesecake Factory**

&

**Consolidated West Distributing**

As our newest clients

Learn more about our solutions

- Food Safety
- Quality Assurance
- Supplier Compliance
- Supply Chain
- Traceability
- ERP & Accounting

See you at the  
UFGA Washington  
Public Policy Conference  
Oct 1-3, 2012

Contact us for a demo now!  
Call us at 888-783-5088  
Or visit us at  
[N2NGlobal.com/foodservice](http://N2NGlobal.com/foodservice)


**SEPTEMBER 4 - 9, 2012****JOINT TOMATO CONFERENCE 2012**

36th Annual Joint Tomato Conference  
 Conference Venue: Ritz Carlton, Naples, FL  
 Conference Management: Florida Tomato Committee, Maitland, FL  
 Phone: 407-660-1949 • Fax: 407-660-1656  
 Email: [diana@floridatomatoes.org](mailto:diana@floridatomatoes.org)  
 Website: [www.floridatomatoes.org](http://www.floridatomatoes.org)

**September 18 - 21, 2012****FFVA CONVENTION 2012**

FFVA 69th Annual Convention 2011  
 Conference Venue: Ritz Carlton, Naples, FL  
 Conference Management: Florida Fruit & Vegetable Association, Maitland, FL  
 Phone: 321-214-5200 • Fax: 321-214-0210  
 Email: [information@ffva.com](mailto:information@ffva.com)  
 Website: [www.ffva.com](http://www.ffva.com)

**September 20 - 22, 2012****SEPC FALL CONFERENCE 2012**

2012 Annual Fall Conference  
 Conference Venue: Grove Park Inn, Asheville, NC  
 Conference Management: Southeast Produce Council Inc., East Ellijay, GA  
 Phone: 813-633-5556 • Fax: 813-653-4479  
 Email: [info@seproduceouncil.com](mailto:info@seproduceouncil.com)  
 Website: [www.seproduceouncil.com](http://www.seproduceouncil.com)

**September 22-24, 2012****FLORIDA RESTAURANT & LODGING SHOW 2012**

Conference Venue: Orange County Convention Center, Orlando, FL  
 Conference Management: Reed Exhibitions, Norwalk, CT  
 Phone: 203-840-5910 • Fax: 203-840-9910  
 Email: [inquiry@fraexpo.com](mailto:inquiry@fraexpo.com)  
 Website: [www.flrestaurantandlodgingshow.com](http://www.flrestaurantandlodgingshow.com)

**September 24 - 25, 2012****AMERICAS FOOD AND BEVERAGE SHOW 2012**

16th Annual Americas Food and Beverage Show  
 Conference Venue: Miami Beach Convention Center, Miami, FL  
 Conference Management: World Trade Center Miami, Miami, FL  
 Phone: 305-871-7910 • Fax: 305-871-7904  
 Email: [afb@naylor.com](mailto:afb@naylor.com)  
 Website: [www.americasfoodandbeverage.com](http://www.americasfoodandbeverage.com)

**OCTOBER 1 - 3, 2012****WASHINGTON PUBLIC POLICY CONFERENCE 2012**

The produce industry's most powerful public policy event.  
 Conference Venue: Hyatt Regency Capitol Hill, Washington D.C.  
 Conference Management: United Fresh Produce Association, Washington D.C.  
 Phone: 202-303-3400 • Fax: 202-303-3433  
 Email: [united@unitedfresh.org](mailto:united@unitedfresh.org)  
 Website: [www.unitedfresh.org](http://www.unitedfresh.org)

**October 21-25, 2012****SIAL PARIS 2012**

The 25th global international food products exhibition  
 Conference Venue: Paris Nord Villepinte - Pac des Expositions, Paris, France  
 Conference Management: IMEX Management Inc., Charlotte, NC  
 Phone: 704-365-0041 • Fax: 704-365-8426  
 Email: [EricH@imexmanagement.com](mailto:EricH@imexmanagement.com)  
 Website: [www.imexgmt.com](http://www.imexgmt.com)

**October 26 - 28, 2012****PMA FRESH SUMMIT 2012**

Conference Venue: Anaheim Convention Center, Anaheim, CA  
 Conference Management: Produce Marketing Association, Newark, DE  
 Phone: 302-738-7100 • Fax: 302-731-2409  
 Email: [solutionctr@pma.com](mailto:solutionctr@pma.com)  
 Website: [www.pma.com](http://www.pma.com)

**NOVEMBER 8 - 10, 2012****44TH NOGALES PRODUCE CONVENTION AND GOLF TOURNAMENT**

Conference Venue: Rio Rico Resort & Tubac Golf Resort, Rio Rico, AZ  
 Conference Management: Fresh Produce Association of the Americas, Nogales, AZ  
 Phone: (520) 287-2707 • Fax: (520) 287-2948  
 Email: [freshfrommexico.com](mailto:freshfrommexico.com)  
 Website: [www.freshfrommexico.com](http://www.freshfrommexico.com)

**November 10 -13, 2012****INTERNATIONAL HOTEL, MOTEL AND RESTAURANT SHOW**

Conference Venue: Javits Center, New York, NY  
 Conference Management: GLM, White Plains, NY  
 Phone: 914-421-3346 • Fax: 914-948-6197  
 Email: [customerrelations@glmshows.com](mailto:customerrelations@glmshows.com)  
 Website: [www.ihmrs.com](http://www.ihmrs.com)

**November 11 -14, 2012****WESTERN GROWERS ANNUAL MEETING 2012**

Conference Venue: Fairmont Resort, Scottsdale, AZ  
 Conference Management: Western Growers Association, Newport Beach, CA  
 Phone: 949-863-1000 • Fax: 949-863-9028  
 Email: [info@wga.com](mailto:info@wga.com)  
 Website: [www.wga.com](http://www.wga.com)

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

The 3rd Annual iteration of *Celebrating Fresh!* in the magical city of Manhattan.  
 Conference Venue: Pier 94, New York, NY  
 Conference Management: PRODUCE BUSINESS, Boca Raton, FL  
 Phone: 561-994-1118 • Fax: 561-994-1610  
 Email: [info@nyproduceshow.com](mailto:info@nyproduceshow.com)  
 Website: [www.nyproduceshow.com](http://www.nyproduceshow.com)

**JANUARY 16 - 18, 2013****PMA FIT LEADERSHIP SYMPOSIUM 2013**

This program is designed for decision-makers who currently drive strategy and growth in an organization.  
 Conference Venue: Omni San Diego, San Diego, CA  
 Conference Management: Produce Marketing Association, Newark, DE  
 Phone: 302-738-7100 • Fax: 302-731-2409  
 Email: [solutionctr@pma.com](mailto:solutionctr@pma.com)  
 Website: [www.pma.com](http://www.pma.com)

**January 20 - 22, 2013****SWEET POTATO CONVENTION 2013**

California Sweet Potato Council hosts the 50th Annual United States Potato Convention.  
 Conference Venue: Westin, Charlotte, NC  
 Conference Management: United States Sweet Potato Council, Columbia, SC  
 Phone: 803-788-7101 • Fax: 803-788-7101  
 Email: [cwalker12@bellsouth.net](mailto:cwalker12@bellsouth.net)  
 Website: [www.sweetpotatousa.org](http://www.sweetpotatousa.org)

To submit events to our Forward Thinking calendar, please email [info@producebusiness.com](mailto:info@producebusiness.com)





**SAVE  
THE DATE**  
DECEMBER 4-6, 2012



**FOR MORE INFORMATION:**  
PH: 212-426-2218 • [www.nyproduceshow.com](http://www.nyproduceshow.com)



CELEBRATING  
**FRESH**



# RECALL INSURANCE: A NECESSARY EVIL FOR PRODUCERS?

By Shelby Rajkovich, Communications Manager,  
United Fresh Produce Association



**A**s the fresh produce industry awaits final rules on the FDA Food Safety Modernization Act (FSMA), recall insurance has become a trending topic. The United Fresh 2012 convention featured an education session to evaluate the current landscape and insurance options in light of several high-profile recall cases. In trade press and at industry functions, the question seems to come up: how can producers protect themselves from the potentially devastating recall-related costs when a mandatory recall order is subsequently determined to have been an error? The Senate-passed version of the 2012 Farm Bill includes language by Senator Dianne Feinstein (D-CA) that calls for a feasibility study of insurance products that could cover recalls, quarantines and market disruptions.

A July 26 report issued by the Government Accountability Office (GAO) to Congress addresses the need for "greater economy, efficiency, effectiveness, accountability, and sustainability" in federal oversight of food safety. The report, titled *FDA's Food Advisory and Recall Process Needs Strengthening*, outlines several recommendations that are of particular importance to the fresh produce industry, including possible mechanisms to compensate for erroneous recall-related costs, clarification of the mandatory recall process, and improvement to external communications regarding recalls.

"This report was required by FSMA and gives a pretty thorough examination of the recall process and what can be done to improve it," said Robert Guenther, United Fresh senior vice president of public policy. "The fresh produce industry considers food safety a top priority and United is continuously involved in

initiatives and education efforts that ensure we're doing all that we can to provide the safest product to consumers."

While the report notes that none of the possible compensation mechanisms are currently in use, there are several potential avenues that are in varying levels of development. An already established example cited is the judicial process, in which each case has the opportunity to be heard individually, but can be costly for smaller producers and time consuming. A dedicated program, similar to a USDA program that offers compensation in the event of an APHIS-ordered (Animal and Plant

Loans and non-monetary compensation, such as a government promotional campaign, are also briefly explored.

"There are some potentially effective solutions that could be explored," agreed Guenther. "But there are some important issues that will influence the development of any of these compensation mechanisms, which the report points out. In some cases, it will boil down to where the error was made in the recall process, how much loss is due to government error versus a shift in consumer demand, who is eligible, and what budget is available."

The GAO report also included recommendations to the FDA to strengthen the recall process and improve communications with the public. The report found that that FDA's internal procedures for mandatory recalls are not public, nor has FDA issued regulations or guidance on mandatory recalls. The report also points out that the agency has not yet fully adopted prior recommendations made by the GAO and others, which advised development of a comprehensive recall crisis communication policy.

"An improvement to the way the FDA explains recalls to the public would be much appreciated," said Guenther. "Especially when you have a recall case where the product is quickly removed from shelves thanks to our traceability systems and the situation is isolated. Regardless of the response from the industry, consumers are often alarmed and the market is affected on a much broader scale than it should be."

Whether or not a compensation mechanism for wrongly declared recalls is enacted, United Fresh will continue to lead industry efforts to improve food safety.

**"THERE ARE SOME IMPORTANT ISSUES THAT WILL INFLUENCE THE DEVELOPMENT OF ANY OF THESE COMPENSATION MECHANISMS... IN SOME CASES, IT WILL BOIL DOWN TO WHERE THE ERROR WAS MADE IN THE RECALL PROCESS, HOW MUCH LOSS IS DUE TO GOVERNMENT ERROR VERSUS A SHIFT IN CONSUMER DEMAND, WHO IS ELIGIBLE, AND WHAT BUDGET IS AVAILABLE."**

— ROBERT GUENTHER  
UNITED FRESH PRODUCE ASSOCIATION

Health Inspection Service) slaughter of livestock to control or eradicate disease, was also suggested. A program like this may give added assurance and structure to the industry, though the question of funding the program was not resolved. The report also mentions a one-time funding for specific events option, which would take the form of a legislative act, though the success of this type of response may be subject to the political environment. Another option to help mitigate losses is government insurance, but the intricacies of establishing fair premiums and policy requirements would be difficult.



# POM POMS are a WIN WIN.



It's no wonder POM POMS juicy, delicious arils are the newest trend in ready-to-eat fresh pomegranates. Customers love them because they're a healthy snack in two convenient sizes: 4.3oz with a spoon, and 8oz. You'll love them because they're the #1-selling brand, driving 78% of category growth.\* And that's great, great news for your produce department.

**Order POM POMS fresh pomegranate arils now at  
GetPOMPOMS@pomwonderful.com or contact your local sales representative.**

\*Source: Nielsen Perishables Group FreshFacts®, 52 weeks ending 03/31/12  
©2012 PomWonderful LLC. All rights reserved. POM POMS WONDERFUL & Design is a registered trademark of PomWonderful LLC. PAB261

# COULD TEXAS ASSOCIATION'S REALIGNMENT SUGGEST A NEW DIRECTION FOR PMA/UNITED TALKS?

By James Prevor  
President & Editor-in-Chief



In political science, it is sometimes said that the states are the laboratories of democracy. In other words, ideas and policies can get tested on a state level, and those that work can then be rolled out nationally. Perhaps that is true of produce associations as well.

The saga over the recent attempt to combine the Produce Marketing Association and the United Fresh Produce Association turned out in a way unsatisfactory to almost everyone. Perhaps, though, as an industry we have been so focused on a merger, we may not have considered alternative approaches, perhaps more fundamental approaches, to dealing with industry issues. The whole focus of the negotiations has been to consolidate when, perhaps, a more effective approach would be to try and *deconstruct*.

The thought comes to mind as we consider the old Texas Produce Association. First, the association recently changed its name to the Texas International Produce Association and then it launched a separate Border Issues Management Program. The BIMP is designed as a public policy group addressing issues related to trade between the United States and Mexico, especially issues related to the border crossings.

Funding for the Border Issues Management Program is separate from dues for the Texas International Produce Association and, in that, we may find suggestions of an alternative path for our national association woes. The BIMP is funded by a voluntary agreement, by which each importer agrees to an \$8 assessment on each trailer crossing from Mexico. The customs brokers are doing the collections and getting paid for their work.

The old Texas Produce Association had been moving in the direction of addressing these trade issues for some time, but the problem was obvious: the Texas Produce Association was founded as a grower group to represent the interests of producers of produce in Texas, and the association revenues came primarily from dues paid by those same growers. Though Texas growers do export produce, these are mostly items such as citrus going overseas via ship.

The cross-border trade in Texas is a very one-way affair, with the volume of product being imported from Mexico far exceeding Texas produce exports to Mexico. So efforts to facilitate that trade are really efforts to facilitate imports. This meant that grower dollars were being invested to facilitate imports. The need for a new funding mechanism was thus obvious.

Indeed, although maintaining one association may have advantages from a management perspective, allowing certain administrative

efficiencies, it wouldn't be shocking if the Border Issues Management Program evolved into a separate association, with a voting membership focused on this one issue.

In the course of discussions over the proposed PMA/United merger, this columnist suggested at one point that the idea of merging the associations wasn't the only approach that could be considered. Since the primary national problem was that PMA owned Fresh Summit, which produced a large part of the financial surplus available to the industry for investment and expenditure, and United was the organization charged with the task of representation in Washington, DC — an obligation of great importance, but one not obviously remunerative — I suggested finding some kind of joint funding mechanism.

It was noted that there are associations where, when one joins, one automatically becomes a member of a local league or subset of the association, and a portion of one's dues can go to the local association. Perhaps a mechanism could be developed whereby when one joined the national produce trade association, one automatically became a member of both United and PMA. In line with its heritage,

**If we look for ways to deconstruct and allow different interests to be guided by those who care most about those things, we may have greater success.**

PMA could maintain a board of directors composed of a majority of buyers. United could have a board of directors composed of a majority of grower/shippers. There could be a strict delineation of responsibilities, with United solely involved in domestic advocacy work and PMA doing global networking and marketing. Educational and food safety activity could be done through a joint educational foundation. United would get a set percentage of dues and other revenues to spend on representation in Washington, D.C.

The truth is that just as a produce grower in Texas has different concerns and interests than a produce importer based in Texas, so the interests and focus of a vegetable processor in the United States and a retailer in Australia are really quite different. If we focus on keeping everything in one pot, we may simply guarantee that a significant portion of the membership of the organization is always going to be dissatisfied. If we look for ways to deconstruct and allow different interests to be guided by those who care most about those things, we may have greater success.

If we can go a step further and segregate funding sources as they are doing in Texas, we will probably have more careful attention paid to the results of such expenditures and thus, industry funds will be spent more wisely.

The default position seems to always be that consolidation is more efficient. Sometimes it is. But sometimes a laser-sharp focus on one thing can produce optimum results, and a laser-sharp focus tends to be dulled the more diverse the activities an organization undertakes.

pb



# We Look Good in Green.

Your sales will look good too!

Incorporate Mann's Sunny Shores® Green Beans into your fresh-cut vegetable set!

## Why Green Beans from Mann?

- Quality
- Superior Sourcing Model
- Best In Class Category Management
- Year-Round Promotions
- Vendor Efficiencies
- Shelf Uniformity
- Popular Sizes

Because green is good!



Salinas, California 93901 | [www.veggiesmadeeasy.com](http://www.veggiesmadeeasy.com) | 800.884.6266



© 2011 All Rights Reserved Mann's Sunny Shores, Inc.

## TRANSITIONS

### E FOODS INC.

#### ORLANDO, FL

**Susan Martin** has joined the sales team of E Foods, Inc. in Orlando, FL, where she will focus on building new relationships with foodservice customers and expanding the company's reach in the Northeast. Martin's comprehensive produce experience spans more than 20 years selling fresh-cut produce throughout the North East. She brings with her firsthand farming knowledge and a degree in Food Science.



### THE PERUVIAN ASPARAGUS IMPORTERS ASSOCIATION CALEXICO, CA

The Peruvian Asparagus Importers Association (PAIA) has announced that **Matt DeCarlo**, president of Altar Produce Inc., Calexico, CA, has recently accepted the position of West Coast co-chair for PAIA. In light of recent tragic events with the sudden passing of Chris Martin, president of Gourmet Trading, Matt DeCarlo will immediately begin his duties.

### TEXAS INTERNATIONAL PRODUCE ASSOCIATION MISSION, TX

The Texas Produce Association is pleased to announce that **Bret Erickson** was named the organization's senior vice president. Erickson grew up in the Rio Grande Valley and has strong ties to agriculture, having worked in commercial and foundation seed corn production for Pioneer Hi-Bred International for 12 years, nine of those in Weslaco, TX, and three more on Kauai, HI. In December of 2010, Erickson returned to the Valley and began working for Texas Citrus Mutual and Texas Vegetable Association.



## ANNOUNCEMENTS



### HAPPY 10TH BIRTHDAY, KLONDIKE ROSE POTATOES!

In August 2002, after many years of cultivation, Potandon Produce LLC, Idaho Falls, ID, introduced the U.S. retail community to its Klondike Rose® potato, the first of many new varieties of fresh potatoes that would soon follow. Potandon Produce is pleased to be celebrating the milestone 10th birthday of this unique potato. "Known for its unique bold and buttery flavor, the red-skinned, yellow-fleshed beauty has been astounding consumers ever since."

## ANNOUNCEMENTS

### SOUTH AFRICAN SUMMER CITRUS PROMOTION TO BENEFIT U.S. MILITARY FAMILIES

South African summer citrus was featured at several product demonstrations in the military commissaries at the MacDill and Patrick Air Force Bases in Florida along with Oceana Naval Air Station and Quantico Marine Corps Base in Virginia. The imported citrus was promoted this summer in more than 80 of the Defense Commissary Agency's stores in the Eastern half of the United States. The main goals of the events were multifaceted and included educating commissary customers of the versatility, benefits and growing practices of fresh citrus from South Africa and informing consumers of the seasonality of summer citrus, which is available when domestic product is not in season.



### HARRIS TEETER HELPING BRING SALAD BARS TO COMMUNITY SCHOOL

Harris Teeter, Charlotte, NC, is launching a campaign designed to bring salad bars to schools in the Harris Teeter market communities to support *Let's Move Salad Bars to Schools* (LMSB2S). In collaboration with the United Fresh Produce Association Foundation, a founding partner of LMSB2S, Fresh Express, a wholly-owned subsidiary of Chiquita Brands, and nine additional produce suppliers, Harris Teeter will donate salad bars to at least 10 schools. These salad bars will benefit more than 5,000 students by providing them a healthy lunch option filled with fresh produce.



*Always Fresh. Always Ready.®*

### READY PAC PROGRAM YIELDS ENVIRONMENTAL AND ECONOMIC BENEFITS

For Ready Pac Foods, Irwindale, CA, sustainability goes beyond environmentally responsible practices to

encompass social responsibility, and ultimately, long-term economic viability. Ready Pac's recycling program converts costly trash hauling into a revenue-generating operation that helps the company maintain competitive pricing. Ready Pac started by focusing on the reduction of trash being sent to landfills, setting up color-coded material collecting stations throughout all of its plants. Now the company collects more than 8,600 tons of cardboard and plastics annually.



### ORGANICS UNLIMITED PREPARES FOR GROW MONTH THIS SEPTEMBER

Come this September, San Diego, CA-based Organics Unlimited will help its customers increase sales of GROW bananas through GROW Month. The company will be providing tailored in-store promotional materials that will help raise awareness of GROW, a charitable fund that provides help to workers and their families in banana growing regions. Organics Unlimited is prepared to help retailers with sampling events and contests as well as providing point-of-purchase materials, including display signs, recipe cards, banana bags, and more.

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



ANNOUNCEMENTS



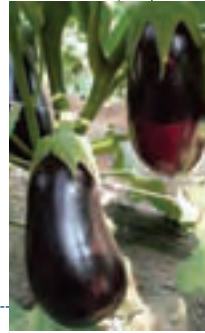
**SPECIALTY ALLIANCE GROWER WINS NATIONAL MERIT AWARD**

Rockey Farms, Center, CO, a founding member of the Specialty Potato Alliance (SPA,) which had previously received recognition from the county, region and state, gained national attention as the

2012 recipient of the Soil And Conservation Society's Merit Award. The award was presented on July 24th, during the Conservation Society's annual conference in Fort Worth, TX

**EGGPLANT SUPPLIER RAMPS UP MARKETING SEASON**

Malena Produce, Inc., Rio Rico, AZ, a premier provider of eggplant, peppers, squash and other premium produce during winter, announced its first integrated marketing program. The campaign will include new trade and consumer web pages, publicity, social media and advertising, along with merchandising assistance and education on how receivers can maximize a growing category. The company's Malena Brand is considered one of the leading top-grade eggplant, with 16,18,24, and 32-count packs available close to year-round. Malena Produce will also be promoting its premium colored and green bell peppers and Italian and yellow squash this season, all available in custom packs.



**TEXAS PRODUCE ASSOCIATION CHANGES ITS NAME**

At the 2012 Texas Produce Association Convention, in San Antonio, TX, Texas Produce Association Chairman and director of business development for IFCO's Pallet Management Services Division, Ed Bertaud (pictured above right) announced that effective immediately, the Association's name has been changed to the Texas International Produce Association. Along with the name change, the board kicked off a new initiative called the Border Issues Management Program (BIMP).



**RPE ANNOUNCES PARTNERSHIP WITH SPUD GROWER & THE SPUD SELLER**

RPE, Inc., Bancroft, WI, announced its partnership with Lynn and Jeffery McCullough, the father-son team who own Lynn McCullough Farms, LLC, Spud Grower Farms, LLC and The Spud Seller, LLC in the San Luis Valley of Colorado. RPE will serve as the exclusive marketer for Spud Grower Farms and The Spud Seller. The partnership will provide RPE with more than two million 50-lb. units of potatoes to sell each year from Spud Grower Farms and other Colorado-based growers.

**RYECO ACQUIRES MORE SPACE AND TALENT**

Philadelphia wholesaler, Ryeco LLC, has acquired two additional units on the Philadelphia Wholesale Produce Market (PWPM), expanding its product line and ability to service customers. The acquisition has expanded Ryeco's product line, adding a substantial selection of imported and domestic hothouse products, especially tomatoes and colored peppers, as well as increased local produce offerings.



**EAT GREEN AT CHIPOTLE'S CALIFORNIA RESTAURANTS**

Chipotle Mexican Grill recently gave back to California farmers by donating \$1 to the Farmer-Veteran Coalition (up to \$50,000) for every side of guacamole purchased at California restaurants during Farmers' Market Week, August 5-12, 2012. The promotion celebrated the California farmers who made it possible for Chipotle to serve delicious, handmade guacamole every day in each of its restaurants.

**LADY MOON FARMS RECEIVES INNOVATION AWARD FOR FAIR PRACTICES**

Lady Moon Farms, an East Coast grower of organic produce with farms in Pennsylvania, Georgia and Florida, has received an Innovation Award from Whole Foods Market. The retailer's first-ever Supplier Awards, presented in Austin, TX, recognizes Lady Moon Farms' forward-thinking attitude regarding fair and ethical practices, which the grocery chain says "changed the tomato industry in Florida."



**CALIFORNIA SPECIALTY FARMS PARTNERS WITH UI-SEONG**

California Specialty Farms has partnered with Ui-Seong Black Garlic Farming Association and its Bulb Black Garlic. The fermented garlic will be available in a retail 2-count bag and 1-lb. foodservice pack.



NEW PRODUCT

**READY PAC INTRODUCES NEW ORGANIC BOWL SALADS**

Ready Pac Foods Inc., Irwindale, CA, introduced a new line of organic single-serve salads available for national distribution. New Ready Pac Bistro® Organic Bowl Salads feature four varieties that combine the convenience of the company's single-serve salad bowls, 100 percent organic ingredients and recipes that deliver the "culinary adventure" sought by target consumers.



CORRECTION

In the July issue of PRODUCE BUSINESS, Lucky Lee of Lucky's Real Tomatoes was incorrectly quoted in our New York Market Profile: *Evolution And Adaptation*. Lee states, "Lucky's Real Tomatoes is a proud distributor of 'Tasti-Lee' Tomatoes, a product of Bejo Seeds, developed by the University of Florida. Bejo Seeds is one of the leading companies in breeding, producing, processing and selling premium quality seeds and plays an active role in the marketing of the Tasti-Lee Tomato. It is grown by Lucky's Real Tomatoes' partner company Red Diamond Farms/Tomato Thyme." We regret the error.

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

# Macro Trends Drive Produce Consumer Loyalty In The Face Of Rising Prices

BY KELLI BECKEL, SENIOR MARKETING MANAGER, NIELSEN PERISHABLES GROUP

Price inflation is back in a big way, and this summer's drought is setting the stage for further commodity costs. While the produce department has posted smaller price increases than some other fresh departments, its 3.4 percent increase during the 52 weeks ending June 30, 2012, is still significant. Although prices increased, the department also received less promotional support. The percentage of produce volume sold while on promotion declined 2.3 percentage points, and the average promotional price increased 5.9 percent. Each item in the Top 10 categories in the produce department showed declines in promotional volume, and all except bananas declined in promotional lift. Fortunately, shoppers remained loyal to fresh produce, as volume sales remained steady (+0.4 percent).

While pricing is one consideration shaping the way consumers shop the department, macro trends are also playing a role in fruit and vegetable purchase decisions. The continued growth of private label products, greater preference for global products and shifts in everyday eating occasions are helping the produce department maintain sales in the face of rising prices. These growth drivers can be leveraged to draw in consumers even if prices continue their upward trend in the coming year.

The consumer preference for private label has remained strong this year, as lower price points remain attractive to consumers faced with economic constraints, and a rising emphasis on quality makes private label options preferable on multiple levels. Some private labels are even positioning an increasing number of items as "gourmet" or "specialty," which has helped increase private label average retail prices. In the produce department, the average retail price of private label products increased nearly 2.8 percent, but this is still a smaller increase than the department's price increase average across all products. Additionally, the average price of private label produce was 21 percent lower than the average price of branded products during the latest 52 weeks, a sig-

nificant price differential for shoppers who are facing higher prices across the store.

Just as the availability of private label products is growing, so too is the availability and popularity of fruits and vegetables with global flavor profiles. Flavor preferences continue to evolve as more Americans seek out new cuisines and bold ethnic flavors. According to Nielsen's *State of the Hispanic Consumer: The Hispanic Market Imperative*, Latinos will wield \$1.5 trillion in buying power in 2015, or 50 percent growth over 2010's \$1 trillion. Their growing spending power is clear in the produce department, where items with Hispanic roots are increasing by double digits. Jicama and cactus leaves experienced dollar growth of 10.5 percent and 30.5 percent, respectively, while passion fruit increased sales 34.8 percent in the latest 52 weeks.

Some global products are even becoming mainstream, thanks in part to greater year-round availability and more attention in the foodservice sector. Avocados are the best example of this mainstreaming of global fare. Avocados now rank 17th in dollar sales among all produce categories, and they posted double-digit dollar (+10.3 percent) and volume (+13.3 percent) growth in the past year. Avocados are also benefiting from promotional activity, as the promotional volume and lift both increased — a trend only experienced by two other categories in the department.

It is evident that Americans are shifting their flavor preferences, but many are also shifting the time of day and quantity they're eating. New eating occasions are forming around snacking and a renewed focus on breakfast. These trends are most evident in

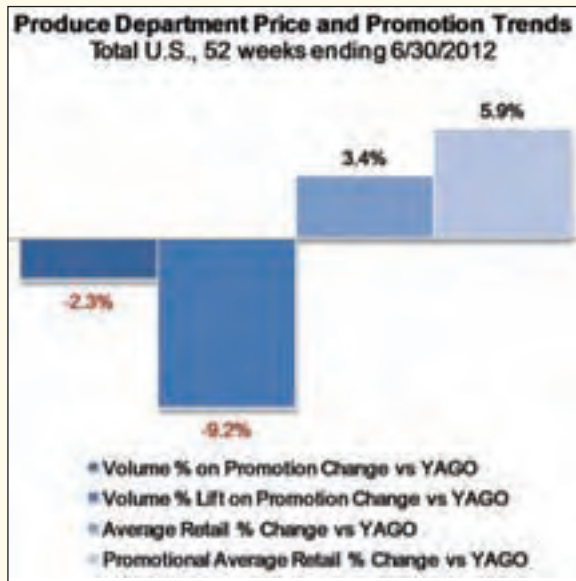


CHART COURTESY OF NIELSEN PERISHABLES GROUP FRESHFACTS

the deli department, but they reveal opportunities on which the fresh produce can capitalize. In the in-store deli, sales of prepared foods are growing in part because retailers are offering fresh quality product and the convenience factor associated with foodservice. Deli/prepared items such as deli snacks, sushi and pizza each increased by double digits in the past year. Deli breakfast foods — items such as breakfast sandwiches, breakfast meals/combos and quiche — grew sales by an impressive 24.2 percent.

While the produce department boasts the freshness factor that is helping to fuel deli prepared food's success, creative merchandising and promotions may spur consumers to grab fruits and vegetables as part of their snacking and breakfast items. The department already offers a growing number of options for healthy fruit and vegetable snacks, but merchandising them in a central location can encourage shoppers to stock up or try new healthy snacking items. To generate thoughts of breakfast, cross-merchandising fresh fruits with cereals or fresh baked breakfast items can build incremental purchases.



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



# Opportunity To Concentrate On Increased Sales

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

**T**he impact of price inflation on retail produce sales probably has a lot to do with relative price inflation across different departments. A 3.4 percent increase in produce prices may depress produce sales, but if meat prices increase at a quicker rate, produce can become relatively less expensive, even while more expensive in an absolute sense.

The effect of a drought on meat prices is often counter-intuitive — at least in the short term. The drought causes high grain prices, which leads cattle ranchers to liquidate their herds. This can mean more supply of beef in the short term, so higher grain prices can cause meat prices to fall. However, long term, fewer cattle generally translate into higher prices. Now that summer is over and many ranchers are running out of grass, many herds are still bound to be liquidated, but the Bureau of Labor Statistics announced that the average price of ground beef hit a record high in July at \$3.085 per lb. It is a good bet it will go higher still. So produce may yet be a bargain.

It is, of course, true that macro trends influence demand, but it is hard to know what to make of the boom in private label in terms of a driver of produce consumption. Although “the average price of private label produce” may well be “21 percent lower than the average price of branded products,” it seems unlikely that this is an apples-to-apples comparison. In many cases, private label programs do not encompass as extensive a line as branded items, so the numbers can easily be distorted by comparing the more basic private label assortment with a branded assortment including more specialty variants of, say, a bagged salad line.

Anecdotally, although it is true that there are many upscale private label items, we sometimes shy away from products because they are only available in private label format. At our local Publix, for example, other than Ready Pac Cool Cuts carrots and dip geared for schoolchildren, all the carrots are typically private label. It

is not a beautiful upscale label — just a plain white label on clear plastic; we would buy more and pay more for a branded alternative or even a more upscale private label.

Carrying the products that consumers want is a sure-fire way to boost sales, and so the internationalization of the produce trade, which keeps items such as avocados on the shelf, is certain to provide a leap to sales. Also having products that appeal to the changing ethnic composition of America and to new cooking and taste trends is, of course, a wise idea. Yet, even such obviously good things pose risks. The big risk is improper or inadequate promotion. In the old days, seasons themselves provided natural merchandising and marketing opportunities: “Melons are Back” — now if they never really left, we have to consciously work to promote the product.

Staying in sync with consumer preferences for meal and snack times and venues is key. Yet we are hesitant to make too much of the boom in deli and prepared-food sales. Although some of this may represent a change in consumer habits, a lot of it seems to represent a change in retail perspectives, with many retailers focusing on broader deli operations, including prepared foods, breakfast programs, etc., as a way to compensate for shrinking grocery sales in the face of supercenters, club stores, deep discounters, etc.

Perhaps the real lesson here is that the day when delis were small scale and could buy (or steal) the occasional green pepper they needed from the produce department is long gone. Now many delis have substantial cooking operations, at store level or via commissary or prepared food supplier. As such, delis now represent a third market — not quite retail, not quite food-service — and so there is an opportunity for those looking to ride the retail trend to focus on this market.

Here are four big opportunities for boosting sales:

First, have product that consumers

**Rising prices tend to make all produce directors look good.**

want to buy — that includes the imports and assortment, but it also includes having bananas at various stages of ripeness to appeal to different consumers.

Second, suggest usage opportunities. It is fine to remind folks of old stand-bys, say bananas or peaches or berries with cereal, but it is also important to suggest new usage ideas. We wrote elsewhere about making Banana S'Mores — by slicing a banana with the peel still on, putting in marshmallows, chocolate and crumbled Graham crackers, putting the whole thing in aluminum foil and throwing it in the fire. It is easy to sell an extra hand of bananas every day to some families during the summer as they go out every night to the fire pit.

Third, get produce out of the produce department with extra displays at key points throughout the store.

Fourth, tie into big trends and big ideas — it may be local, it may be greenhouse grown, it may be organic.

Rising prices tend to make all produce directors look good. The great ones are already thinking about their comparables when prices start to fall.

# Don't Tax Consumers' Tomatoes

## BUILDING MARKETS BETTER THAN BURNING BRIDGES

Time after time the produce industry has seen the benefit of collaboration among growing regions to build stable and successful markets in various commodities. Statistics continue to support the benefit to industry and consumers of working together to provide a stable, consistent product to the marketplace and tomatoes are no exception. For years, the U.S. and Mexican producers (as well as Canada and other countries) have worked to build and expand a beneficial and stable tomato category for U.S. consumers.

This market building is partly due to the Tomato Suspension Agreement, in place for 16 years, which has successfully settled one of the largest bilateral trade disputes between the U.S. and Mexico. However, a portion of the Florida industry is currently attempting to bring down the agreement in order to file a new trade case. Re-ignited trade disputes neither benefit the industry nor consumers. Press releases also make clear that this action is timed to coincide with election politics.

The U.S. Department of Commerce has confirmed the Agreement to be in the public interest because it brings stability to the marketplace. The Agreement has been renewed two times, the reference price has increased and no violation has ever been found. The U.S. government has held three times that it is in the public interest, has stabilized the U.S. market, preserved resources and fostered free and fair trade with Mexico. The ungrounded termination of the Agreement and resulting trade action would severely disrupt the marketplace, bringing adverse affects to suppliers, buyers and consumers alike.

### MARKET SUPPLY DISRUPTION

Growers, shippers, wholesalers and retail and foodservice buyers have spent decades building the tomato category. The current U.S. demand for tomatoes is so great that U.S.

production alone couldn't possibly meet the needs. The U.S. is the largest importer of Mexican tomatoes totaling \$1.3 billion last year.

Significant restriction of access to Mexican production would result in a drastic reduction of the flavorful variety buyers and consumers currently choose from. The tomato industry has changed dramatically in the last 16 years in all parts of the world. It has evolved into diverse growing areas with many new tomato varieties. Investment and technology have helped achieve efficiencies in the production of an array of tomato types that are distinguished as flavorful and appealing to consumers. Nullifying the Agreement would jeopardize the tomato market supply U.S. consumers have come to rely on.

### ADVERSE CONSUMER AFFECTS

A new trade dispute would have a significant impact on consumers and retail pricing. One adverse affect would be seen in the choices available for tomatoes. Market dynamics demonstrate that a reduced consumer selection of tomatoes would result in fewer tomatoes being bought. Sadly the hard work many companies on both sides of the border have dedicated to building today's successful tomato category would be undone.

A trade war would also result in consumers and buyers paying higher prices for a reduced offering of tomatoes. In the U.S.'s new and challenging economic climate, our industry should be looking for ways to increase affordable quality products to U.S. consumers, not decrease the offering and increase price. The effect of a new trade dispute would lead to a meager and pricey selection – the exact opposite of what is beneficial to consumers, retailers and the industry in general.

### ECONOMIC FALLOUT

Trade in Mexican tomatoes also has far reaching economic affects for the U.S. – from Nogales to Florida and beyond. The Protected Agriculture Sector in Mexico has created jobs in the U.S. even during one of the worst economic crises since the 1930's. The jobs created reside all along the supply chain including transportation, distribution, and equipment, not to mention sales and marketing.

The Fresh Produce Association of the Americas (FPAA) reports a value of approximately US\$816 million freight on board (FOB) was registered for the trade of Mexican tomatoes in Nogales, Arizona in 2011 – representing 20 to 25 percent of the value of all produce brought into Nogales. FPAA reports informal studies suggest 12,000 jobs in the Nogales area come from produce with around 3,000 of these jobs related to Mexican tomato trade. Mexican tomato trade supports a higher caliber of employment since Nogales workers are U.S. citizens. In contrast, Florida is a majority employer of seasonal agricultural labor.

The effects on the distribution chain in the United States cannot be overlooked. There are more than 1,000 companies between the Texas, Arizona and California border dedicated to Mexican produce. Affected companies include transportation, suppliers, retailers, pallet manufacturers, and suppliers of cartons, fertilizers, and seed – all coming from the U.S. and representing a significant generator of jobs.

The FPAA estimates 350,000 overall jobs result from the protected agriculture industry with nearly 50 percent of those in the tomato industry. FPAA further estimates 5 percent of U.S. residents have jobs tied directly to Mexico (equating to 6 million jobs). Ironically, the trade interruption could end up hurting Flori-



# SOUND REASONS FOR FREE TRADE

The crux of the tomato trade war really comes down to competitiveness, and in this issue the Mexican producers have a great deal of ammunition on their side. In order to enter the market and become successful competitors, the Mexican tomato industry has been forced to make significant investments in technology and creativity. Their hard work has been rewarded with increased demand in the marketplace.

AMHPAC director general Eric Viramontes reports, "Many industry buyers and consumers recognize the quality of product from Florida is just not as desirable anymore with the variety of flavorful options from not just Mexico but also Canada and other countries. We don't want the Florida growers to be out of business. We don't see this as a war between the Mexican and Florida growers. We have another perspective."

The Mexican industry claims the biggest reason for Florida's ills lie in the fact that the industry is not doing a sufficient job in being competitive or responding to the market. "Florida is not doing a good job in becoming more efficient and being able to deliver a high quality product at an accessible price to the consumer," says Viramontes. "With or without Mexico, if Florida wants to continue to be in the tomato growing business, it is going to have to change. It is unfair to make U.S. consumers pay for inefficiency, or make the consumer eat a product that's not of the quality they have come to demand."

A large part of the quality issue comes down to the harvesting methods of the two different industries. "Most of Florida's tomatoes are picked green so they can travel longer distances and have a better shelf life," Viramontes explains. "When the product arrives at the destination market it is put in ripening rooms, using ethylene gas to turn the tomatoes red. In contrast, most of Mexico's production is ripened on the vine, picked either ripening or fully ripened -- thus better flavor and better aroma. Green-picked tomatoes have not yet developed their flavor. This is why we've seen an increase in demand for Mexican product."

The Mexican tomato industry has been challenged many times over recent decades, making its foundations stronger. "Over the last ten to 12 years we have faced many different accusations of situations that were never proven with respect to regulations, food safety and security," says Viramontes. "The U.S. has been very hard in their demands on Mexico. But this resulted in something very positive for our industry. It's forced our industry to become one of the best industries in the world today."

Mexican growers have invested in technology that makes them more efficient. They use resources better, they produce with less water, and they utilize protected agriculture technology. "All this allows us to enhance the elements of nature," says Viramontes. "These developments have meant Mexico's tomato industry now uses around 70 percent less water and has a cleaner product, overseen by third to fifth generation growers that are farmers for the long term. Most of our growers are college educated. The people working the fields are receiving technical education and we invest a lot of money in training our workers."

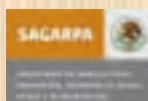
In most other sectors, efficiency and technology are rewarded -- like in computers or cel phones. Viramontes states, "Mexico only looks to preserve what it should rightfully have -- the space in the marketplace that we have built and that we have invested to achieve."

da's economy as well. Statistics show Florida benefits from \$7.58 billion in two-way trade between Florida and Mexico, with more than \$2 billion of that in exports from Florida to Mexico. That "free" trade could be jeopardized by any new trade dispute erected by the U.S.

## A BETTER ALTERNATIVE

A fair and peaceful resolution for the sake of U.S. consumers and our industry in general is needed. Tomatoes from Mexico are the number one food export item to the U.S. and consumers have driven the demand for the category. Quality products should be accessible to consumers without tariffs or other price markups.

Instead of destroying bilateral agreements that have worked for 16 years, the focus should be on growing consumption. If all the growing regions work together to elevate consumption, more consumers will eat tomatoes and the category will grow even more. This approach, which the two countries can work towards together, would not only improve market conditions but the well-being of U.S. and Mexican populations.





## Pundit's Mailbag — When Confronted With A United/PMA Merger Question, What Would Jesus Do?

FROM JIM PREVOR'S PERISHABLE PUNDIT 09.06.2012

**A**mong the many letters in response to our articles on the United/PMA Merger, we received this one that brought in a reference to a well-known Christian bible verse:

*Just when I thought your opus was complete, you outdid yourself again. Thank you for inspiring me on this matter. I've been mentally beat down after this failed merger as I felt industry asked us/me to perform a duty while I served on United's board & I did not deliver — yet. Cheers (John16:33) & Shalom !!*

— Fred Williamson, President and CEO,  
Andrew and Williamson Fresh Produce,  
San Diego, California

The bible verse that Fred mentions is as such:

*These things I have spoken unto you, that in me ye might have peace. In the world, ye shall have tribulation: but be of good cheer; I have overcome the world.*

— John 16:33 King James Version (KJV)

The gist of meaning is clear: That as difficult as our state might be in this world — whatever our trouble and tribulations — we ought to still take heart. We can know peace not because life is easy, but because our difficulties are temporary. The hardness of life prepares us all for eternal glory, which is guaranteed.

The Greek version of this verse contains the word *thlipsis* as the word for “tribulation.” That word is about trouble and affliction. It comes from a root meaning “to crush, to press, to break.”

Interestingly, though, the Hebrew text uses a different word with a slightly more complicated meaning; it uses the word *tsarah*. *Tsarah* refers to both a threatening enemy or rival, and a time of extreme affliction or stress.

Of course, Jesus may have spoken Hebrew at times, so looking at the Hebrew text can add meaning. The verse can be read as enjoining us to a battle that it is certain we will win. We don't know the timing, but the result is inevitable. We ought to organize our lives within the context of this inevitable victory.

We have written so much about the issue of a merger between United and PMA and have always known there are valid arguments to be made for many possible outcomes.

The ending of the most recent talks has been unsatisfactory and will result in substantial degradation in the esteem in

**The verse doesn't preach that good outcomes are preordained; it explains that because of Jesus and his actions, the result has been determined. So the logical question in analogizing to the United/PMA merger talks is this: Who is to be our Jesus?**

which both national associations are held. Industry leadership failed at the key obligation to either complete a merger or explain why it is undesirable to do so.

Although we have explained that the focus on the CEOs as a cause of collapse of the talks is overstated — that these men became proxies for disagreements over the nature of the association — still, the fact that it all collapsed around this leaves a scent of self-dealing that can't help the associations grow in esteem.

Private companies haven't come out so well either. Many called us filled with anger and vituperation in the days following the collapse of the talks, vowing to push the matter. But, in the end, it appears few care enough or are brave enough to press the matter in any real way.

The verse that Fred sends us is Jesus talking to his disciples and advising them that because of his actions — his willingness to go to the cross — the temporal concerns of the world will be transcended. In sending this verse, Fred holds out the hopeful thought that the tribulations of the trade are difficult but also temporary and the result inevitable. Of course, that raises a question of leadership.

The verse doesn't preach that good outcomes are preordained; it explains that because of Jesus and his actions, the result has been determined. So the logical question in analogizing to the United/PMA merger talks is this: Who is to be our Jesus?





## CAUSE MARKETING

# Produce Departments Are Making A Difference

Cause Marketing is a hit with retailers and their produce suppliers. BY BARBARA ROBISON

Produce retailers and suppliers are embracing cause marketing, which involves the cooperative efforts of a for-profit business with a non-profit organization for mutual benefit. Children have been the beneficiaries of many of the cause marketing programs supported by the produce industry. Among those causes are Let's Move Salad Bars to Schools, Produce for Kids and PBS for Kids, all benefiting school children and good health. In addition to cause marketing programs built around children's health and wellness, there are also those that support initiatives such as hunger relief, autism awareness and diseases like breast cancer.

The Cause Marketing Forum (CMF), located in Rye, NY, provides executives with easy access to information on Best Practices in cause marketing through its website, its monthly webinars, and its annual conference and workshops. "Businesses that become corporate members of CMF have access to our corporate hotline, a service providing guidance and introductions to other players in the field, such as potential nonprofit partners and agencies with experience creating successful campaigns," states David Hessekiel, CMF president.

### Kids Come First

In 2002, John Shuman, president and director of sales for

Reidsville, GA-based Shuman Produce Inc., founded Produce for Kids (PFK). It began with Shuman Produce and two participating retail chains, and over the years, has developed into a national program, supported by retailers and produce suppliers across the country. Today, PFK, based in Orlando, FL, promotes healthful family eating by providing nutritious meal solutions and resources, while raising funds for local children's non-profit organizations. The marketing programs occur in retail markets with support from produce suppliers. The campaigns involve advertising, in-store displays and events, public relations and Internet marketing. Ideal Meals, another part of the PFK campaign, provide simple, healthy meal suggestions for busy families, with chef-created, nutritionist-approved meal recipe ideas, all contained on a 4x6-inch card that can be merchandised directly in store.

PFK has contributed to several non-profit organizations through its campaigns. Children's Miracle Network Hospitals, Let's Move Salad Bars to Schools and PBS Kids are among them. More than \$3.7 million has been raised for the organizations, and all funds raised directly benefit the partner organizations.

Children's Miracle Network Hospitals raises funds for 170 children's hospitals across North America, which, in turn, use the money where it's most needed. The donations support research

and training, purchase of equipment, and pay for uncompensated care. "We partner with Produce for Kids annually for a cause-marketing-related program," states Maria Brous, director of media and community

relations for Lakeland, FL-based Publix Super Markets, Inc. "Aside from our local CMN hospitals benefiting from our Children's Miracle Network Miracle Balloon campaign in-store, our customers can feel

great about purchasing healthy options and making a difference in the communities in which we live and work. Our Produce for Kids campaign makes it incredibly easy on the customers to get involved and give back

## PFK'S LATEST CAMPAIGN

**K**im Avola, vice president of Orlando, FL-based Produce for Kids (PFK), is pumped up for its latest campaign. "The new campaign we are launching this fall, partnering with DonorsChoose.org, is exciting," she says. "The campaign, called *Healthy Schools, Healthy Minds*, will run September through October in select retail chains. Shoppers are encouraged to support local classroom projects by adding more fresh fruits and vegetables to their carts. It's the result of retailers telling us they were looking for ways to support their local communities," she explains.

DonorsChoose.org is an online charity aimed at helping public school teachers obtain supplies needed for their classrooms. Teachers submit requests for classroom projects, and individuals can donate to projects that inspire them. DonorsChoose.org then buys and sends the supplies directly to the classroom. To date, 230,000 public and charter school teachers have used the organization to secure \$117 million in books, art supplies, technology and other resources needed.

In partnering with PFK, the projects must involve good health and fresh produce. "Teaching children the importance of healthful eating with fresh fruits and vegetables from an early age is crucial in the fight against childhood obesity," says Avola. "Funding classroom projects that aim to teach kids these important values is what our campaign is all about."

"We're thrilled to be partnering with Produce for Kids and participating retailers to engage the public to fund classroom projects focused on health and nutrition," says Janelle Lin, eastern region vice president of partnerships and business development with DonorsChoose.org. "Health should start at a young age, and what kids are fed and taught at schools will affect the way they live the rest of their lives."

"This year's partnership with DonorsChoose.org is a great opportunity for

PFK to achieve two of its main goals: educating children on the importance of a healthful diet with plenty of fresh fruits and vegetables and providing funding for children's charities in the communities of our retail partners," explains John Shuman, president and director of sales for Reidsville, GA-based Shuman Produce Inc. "The *Healthy Schools, Healthy Minds* campaign will raise money for the funding of local health- and nutrition-based classroom projects, providing resources for educating children in the participating retailers' markets."

Teachers can also fund their own DonorsChoose.org projects through the Play With Your Produce Classroom Challenge. This includes a 500-word essay contest regarding a healthy-eating party using the sponsors' products, which the class holds. Photos of the event are required for submission. Retailers' customers can join in, too, with Play with Your Prize Challenge, which involves social media websites such as Pinterest and Facebook. A consumer must pin or post at least three PFK meal ideas or recipes using sponsors' products. Winners receive gift cards to local retailers.

PBS Kids Sprout TV, a 24-hour preschool television network available to over 50 million U.S. homes, also has been an excellent PFK partner. Its characters and information are on PFK display units, and are promoted through PFK social media programs. In turn, Sprout TV offers in-store character appearances during PFK retail campaigns, television spots on Sprout and promotions through its newsletter.

"We are pleased to have great retail partners and produce supplier sponsors to kick



off our fall campaign," says PFK's Avola. Joining Publix Super Markets in the southeast for the campaign are Meijer Inc., out of Grand Rapids, MI, in the Midwest; and, in the east and northeast, the four divisions of Carlisle, PA-based Ahold USA Inc., which include Giant, Martin's Food Stores, Giant-Landover and Stop & Shop divisions."

"The Produce for Kids campaign is important to Meijer because it aligns with our mission to educate shoppers about nutritious eating and living a healthful lifestyle," said Shari Steinbach, MS RD, Healthy Living manager at Meijer. "Through the campaign, we are able to raise money for local nonprofit organizations within our Meijer markets, such as children's hospitals and local schools."

"For our campaigns, we like to limit the number of sponsors to eight to 10 and we lock in the categories to one sponsor per category," says Avola. "Sponsors make donations in flat amounts, or as a per-unit donation."

PFK will continue to provide the promotional support it has for other campaigns, which include Ideal Meals; Parents on Produce board, a panel of busy working parents; Ideal Meal demonstration videos and healthy eating tips and articles. During each of PFK's semi-annual campaigns, 16 new Ideal Meal cards are offered in a colorful display unit at retail. Each offers an idea for assembling a healthy meal using the sponsored products. By purchasing the sponsored produce items, consumers help raise money for the children's non-profit organizations.

pb





## The #1 Selling Avocado in the U.S. All Across America!



### A NEW TV CAMPAIGN WILL Heat Up Sales

The new MHAIA TV spots are slated to run on national cable TV on Food Network, Bravo and HGTV with a whopping 91 million impressions. Running from October through mid-December, the campaign will stimulate trial and purchase by showing home cooks how to "warm up their avocado" through the fall and winter. MHAIA's national print campaign will continue to promote nutrition and versatility of Avocados from Mexico with more than 260 million impressions in women's-service, food and health magazines.

### The Big Hit is Back in a Grand Slam Promotion

From guacamole to hot dogs and hamburgers, Avocados from Mexico are always a major hit at game-day parties. This year our Grand Slam promotional activity consists of TV, a sweepstakes and in-store excitement.



The partnership with Turner Sports and their Major League Baseball postseason coverage on TBS will continue throughout the League Divisional Series and American League Championships. Advertising spots, as well as custom on-air billboards will run in October, delivering over 52 million impressions. Consumers can enter The Big Hit Sweepstakes to win an Ultimate Home Entertainment system. On-line advertising promoting the sweepstakes and offering game-day recipes will stir up excitement all through October.

On the retail front, 4,000 supermarket displays nationwide will offer game-day recipes, avocado selection/prep tips and sweepstakes entry information. Produce managers will have a chance to get in on the game through the Big Hit retail display contest.

### Hitting the Road to WOW! the Nation

This fall, the third annual Taste the Wow tour will give thousands of Americans a taste of avocado WOW! MHAIA will distribute more than 132,000 samples and 80,000 brochures featuring tips, recipes, nutritional info and more. From August through November, the Wow Tour will sample hot dog bites with Guasacado – a zesty avocado sauce – at baseball stadium events, as well as Avocado Gazpacho shooters and Pineapple Guacamole (recipe by Chef Roberto Santibañez) at women's food and health events. Consumers can follow the tour online at [www.theamazingavocado.com](http://www.theamazingavocado.com).



### Celebrating Hispanic Heritage Month



To celebrate Hispanic Heritage month, Avocados from Mexico will partner with EXTRA TV to reach 2.5MM viewers with an exciting segment featuring a delicious recipe using avocados and a sweepstakes to send one lucky avocado fan and a companion to Mexico. Fans will be able to enter the sweepstakes via Facebook and read about it in People en Español, Vanidades and Vista magazines. A Spanish-language radio campaign with local-retailer tags will generate more than 59 million impressions in key markets. And a TV cooking segment on a Spanish network will bring Chef Roberto Santibañez into homes each week with delicious Avocado from Mexico recipes.

### The Power of Pinterest

Coming this fall, Avocados from Mexico will unveil an enticing presence on Pinterest, the fastest growing social platform of the year. Celebrating Avocados from Mexico as the perfect "accessory" for any meal, the new platform will feature fun, creative usage ideas to engage and activate consumer fans.



**“OUR PRODUCE FOR KIDS CAMPAIGN MAKES IT INCREDIBLY EASY on the customers to get involved and give back during their regular shopping trips. In addition, we provide our customers with recipes and information pieces.”**

— Maria Brous  
Publix Super Markets, Inc.

during their regular shopping trips. In addition, we provide our customers with recipes and information pieces.”

Another kid-centric cause marketing initiative occurred this past July with Idaho Falls, ID-based Potandon Produce LLC, and its Green Giant Fresh Klondike Rose Potatoes. Potandon participated in the Box Tops for Education program, which turns everyday activities into cash for America’s schools. Since 1996, \$475 million has been earned through Box Tops for Education, including \$74 million in the 2011-2012 school year. Thousands of schools have used the cash to purchase items such as computers,

library books, art supplies and playground equipment. Twenty-four million participate in the program every year.

“We are proud to provide Box Tops for Education on our Klondike Rose potatoes,” states Dick Thomas, Potandon’s vice president of sales. “Being able to offer healthy potatoes and also give back to schools makes this program advantageous to everyone.”

**Salad Bars To Schools**

Let’s Move Salad Bars to Schools is another popular cause marketing program, dedicated to helping improve children’s health. It is a grassroots public health effort

to support salad bars in schools at local, state and national levels. Its goal is to provide every child with a choice of nutritious fresh fruits and vegetables every day at school. The program supports First Lady Michelle Obama’s *Let’s Move!* Initiative. Founding partners include United Fresh Produce Association Foundation, National Fruit and Vegetable Alliance, Food Family Farming Foundation and Whole Foods Market.

Dr. Lorelei DiSogra, vice president of nutrition and health for the Washington, D.C.-based United Fresh Produce Association, reports, “So far, we have provided schools with 1,600 salad bars, and that number continues to grow. Our goal is 6,000 salad bars, a commitment we made to the White House. We send a monthly report to the White House on our progress and the press coverage we have received. We had great success with our program during United Fresh’s annual meetings in various parts of the country, so we are planning a major push on salad bars for schools in California during our next meeting there.”

“Recent generous donations from PFK and Publix Super Markets jump-started salad

One more reason why Kern Ridge Growers should be your California carrot supplier.



Kern Ridge Growers carries a full line of conventional and organic products.



661-854-3156 • www.kernridge.com

**dPRODUCE MAN**  
Established 1980

Fully Integrated Online Produce Software  
NEW From dProduceMan Online

- Work from the office, home, or road
- No software to install. Simply sign in from any internet-connection
- Create and print or email orders right from your dProduce Man Online
- Your data is safe on our redundant servers and is automatically backed up every day.
- 24 / 7 Tech support is included in your monthly fee
- NO long term contract or annual support fees.
- Evaluate dProduce Man Online FREE
- Yes, try it ALL; a full working version! For 30-days FREE

Fully integrated online produce software  
Let us show you  
Call: 888-776-3626 • Fax: 650-712-9973  
sales@dproduceman.com

PMA Fresh Summit  
October 26-28 Anaheim, CA Booth 934





# SUPERIOR TECHNOLOGY

## PROVEN RESULTS



The *TarpLess*® ripening room from Thermal Technologies is the most widely used ripening room system in the industry. In fact, over 70% of all bananas ripened across the U.S., Canada and Mexico are ripened in Thermal Tech rooms.

*That's over 100 million pounds per day  
...and growing!*

Thermal Tech's patented technology and superior airflow design give you fruit that looks better, lasts longer and weighs more. You get the fastest return-on-investment followed by years of unsurpassed ripening profit.

Whether you process one truckload a week or twenty, Thermal Tech can help you meet your ripening demands with the same quality, service and dedication and that has made us the number one choice for retailers, wholesalers and growers for almost 20 years.

Learn more at:

[www.GoTarpLess.com](http://www.GoTarpLess.com)

**THERMAL TECH** technologies  
INCORPORATED

*Great Fruit Starts with  
Superior Ripening Technology*



See you at the  
PMA Show  
Booth 1916







PHOTO COURTESY OF AUGUSTINEIDEAS

Harris Teeter used POS materials such as shelf-talkers to promote the *Salad Bars to Schools* program in mid-August.

bars in Miami-Dade County Public Schools,” says DiSogra. “Salad bars were also donated to schools in Alabama, Florida, Georgia and Tennessee. Studies have shown the positive effects of having salad bars in schools, and a new study is currently underway by the U.S. Center for Disease Control.”

The Whole Kids Foundation, an Austin, TX-based Whole Foods Market founda-

tion, is a member of Let’s Move Salad Bars to Schools. In 2010, through the generosity of Whole Foods Market shoppers, \$1.4 million was raised to award 564 salad bar grants. Due to an overwhelming response, Whole Foods Market pledged an additional \$1 million to the program. Whole Foods Foundation continues to work on raising awareness and funds by encouraging

schools and parents to experience the difference a salad bar can make in increasing children’s consumption of fruits and vegetables. “We truly believe kids will make good food choices if offered options, and we’ve seen it firsthand in lunchrooms across the country,” remarks Nona Evans, executive director of Whole Kids Foundation. “The power of curiosity creates some very adventurous eaters. It’s inspiring!”

Harris Teeter Inc., headquartered in Matthews, NC, launched a month-long campaign in mid-August to bring salad bars to schools in the Harris Teeter market communities in support of Let’s Move Salad Bars to Schools. Shoppers can donate \$5 by texting a number or by visiting the Salad Bar website. Salinas, CA-based Fresh Express will match shopper donations up to \$15,000. In addition, shoppers will also be provided with *Harris Teeter’s Healthy Lunch 101*, a guide providing parents with tips on how to pack more fruits and vegetables into children’s lunches.

Fresh Express, along with nine other produce suppliers, and Harris Teeter, will donate at least 10 salad bars to schools.

**THE BEST JUST GOT BETTER.**

AMERICA'S #1 READY-TO-USE GARLIC  
NOW EASIER TO USE, MORE USES THAN EVER.

TO INCREASE YOUR GARLIC SALES,  
CALL 800.433.4979 OR VISIT SPICEWORLDING.COM

**We Are California Garlic Growers**

**5P's OF SUSTAINABILITY**

**Not just a buzzword. It's a business strategy.**

We help you integrate sustainability into day-to-day operations to drive business value.

SureHarvest clients include:

- PMA
- Pro<sup>3</sup>Act
- Markon Cooperative
- Almond Board of California
- Booth Ranches
- Stahilush Island Farms

sureharvest.com  
or call us at  
**831.477.7797**

**SureHarvest**  
SOFTWARE MADE POSSIBLE FOR THE AGRICULTURE SUPPLY CHAIN

SUSTAINABILITY FROM THE GROUND UP



**“WE LOVE PROVIDING FRESH APPLES to the food banks because fresh and healthful produce is often missing from their pantries. Seeing the difference we can make in these communities is encouraging.”**

— Andy Tudor

FirstFruits Marketing of Washington LLC

This will benefit more than 5,000 students. The additional produce suppliers include Alpine Fresh, Modern Mushrooms, Monterey Mushrooms, California Giant Berry Farms, Apio, Wholly Guacamole, National Mango Board, National Watermelon Promotion Board and Marie’s Dressings.

### **Sports And Fresh Produce Make A Great Team**

Chelan Fresh Marketing, based in Chelan, WA, selected Fuel Up to Play 60 as a cause marketing program. This in-school nutritional and physical activity program, launched by the National Dairy

Council and the National Football League (NFL), in collaboration with the U. S. Department of Agriculture, combats childhood obesity by helping students make positive changes in their schools by improving opportunities to consume nutrient-rich foods and get at least 60 minutes of exercise every day. The ultimate goal is to ensure that changes made at school are sustainable and complement, but don’t compete, with an academic-focused environment.

The program encourages the consumption of low-fat and fat-free dairy, fruits and vegetables and whole grains, plus 60 minutes of physical activity daily. It supplies

science-based nutrition information and educational materials. Programs are customized and non-prescriptive, allowing schools and youths to determine which tools and resources to use. It requires ongoing support and participation at the grass roots level, and 32 NFL clubs actively support the program.

“Through this partnership, we are able to put delicious and nutritious foods into children’s hands across the country,” remarks Terry Braithwaite, Chelan Fresh’s marketing coordinator. “We’re excited to be a part of the solution and to be working with Fuel Up to Play 60 to combat the childhood obesity epidemic together.”

### **Produce Helps Katie’s Krops Help The Hungry**

FirstFruits Marketing of Washington, LLC, in Yakima, WA, with its Opal variety apple, has partnered with Katie’s Krops, a Summerville, SC-based non-profit organization begun in 2008 by a nine-year old girl. Its mission is to start and maintain vegetable gardens of all sizes and donate the harvest to help feed people in need, while inspiring

**gills ONIONS**  
QUALITY • CONVENIENCE

## Cut the waste. Bring on the taste.

Gills Fresh Cut Onions are California grown and available year round to provide your customers the ultimate in flavor, quality and convenience. It's like giving your customers fresh, wholesome Farmer's Market produce every day of the week.

- Build high-margin sales while helping the planet
- Convenient, eco-friendly packaging
- If your customers are still cutting onions, it's a crying shame!

Grower Direct – Gills Onions, established in 1983, is a family-owned business that grows and operates the largest, most state-of-the-art, sustainable fresh onion processing plant in the world.

Visit us at Fresh Summit  
in booth #4426!

Facebook Twitter YouTube 1-800-348-2255 • [www.gillsonions.com/sustainability](http://www.gillsonions.com/sustainability)  
©Gills Onions, LLC 1051 South Pacific Avenue, Orland, CA 95030 USA

**“CAUSE MARKETING INITIATIVES are a regular part of our outreach efforts...We recently launched our Take an Organic Step Forward program, which is a subscription program where people sign up to receive an email a day with either a coupon, recipe or other tip for incorporating organic items into their life.”**

— Samantha Cabaluna  
Earthbound Farm

others to do the same. Grants are offered to children aged nine to 16 to start vegetable gardens where the bounty is donated to individuals in need. The gardens provide a sustainable solution to hunger and teach kids about agriculture, the environment, nutrition, responsibility and compassion.

Grant winners are awarded up to \$400 and a gift card to a garden center in their area, support from Katie’s Krops and a digital camera to document the garden and harvest. Applications for all types of gardens are considered. Groups of kids, such as classes or youth groups, may apply. At press time, 51 gardens in 22 states have been funded.

### That Familiar Pink Ribbon...

Fresh produce suppliers are offering retailers other worthy causes to provide to their customers, which do not necessarily involve children. Breast Cancer Awareness Month in October is a popular one. “Our

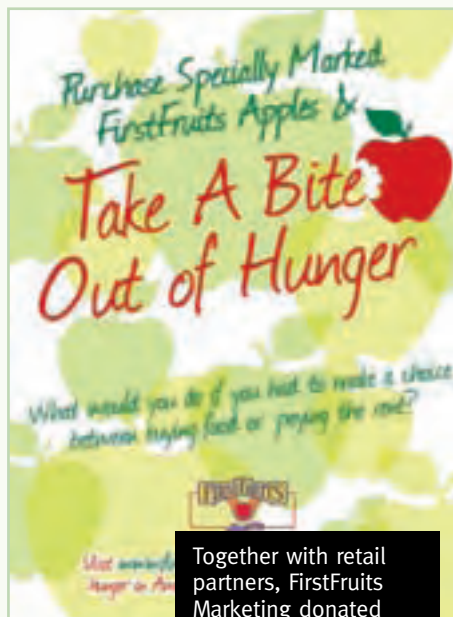


PHOTO COURTESY OF FIRSTFRUITS MARKETING

Together with retail partners, FirstFruits Marketing donated more than 250,000 pounds of fresh apples to U.S. food banks.

Pink Vegetable Tray promotion features Apio’s Eat Smart Petite Trays with a pink base for the month of October,” reports Cali Tanguay, director of marketing and technology at Guadalupe, CA-based Apio Inc. The Eat Smart trays will be available nationwide for consumers to purchase at their local markets.

Now in the third year of the program, Apio will be donating \$25,000 to the National Breast Cancer Foundation in support of its efforts to create awareness and increase funding toward breast cancer research. This brings the company’s donations to \$75,000 to date.

Apio was also an early supporter of the Let’s Move Salad Bars to Schools initiative. “We proudly donated 10 salad bars to Santa Maria, California, schools. Supporting efforts that encourage and provide education about healthful lifestyles in communities is a natural fit for our business,” says Tanguay.

With in-cresed interest in cycling and its health benefits, California Giant Berry Farms, in Watsonville, CA, has been sponsoring a cycling team, California Berry Farms/Specialist. The team participates in many cycling events, including the Cascade Cycling Classic. “It is an important way we can emphasize health and fitness and it provides a spokesperson for our message,” states Cindy Jewell, director of marketing. The company promotes breast cancer awareness month, and the cycling team will wear pink ribbon jerseys during October at their races to support the cause. In addition, the company’s berry packaging will feature pink ribbons during the month.

Last fall, Shuman Produce partnered with Susan G. Komen for the Cure by donating \$20,000 to the fight against breast cancer. In the second year of partnership, RealSweet packaging bore the familiar pink ribbon and colors of the



PHOTO COURTESY OF CALIFORNIA GIANT BERRY FARMS

California Giant Berry Farms sponsors a cycling team, which will wear pink ribbons during their October races.

campaign on newly designed consumer bags, bins, 40-lb. cartons and PLU stickers. The new consumer bag design includes specially selected recipes chosen for the health benefits of their ingredients. “Shuman Produce is dedicated to supporting the search for cures for breast cancer, and our new packaging lets consumers know we are committed to the cause,” comments Shuman.

### Hunger Initiative A Winner For Everyone

The Eagle-based Idaho Potato Commission, selected Meals on Wheels, the oldest and largest national organization dedicated to helping end senior hunger, for its cause-marketing program. Seth Pemsler, vice president of retail/international, describes the program: “We have a giant potato truck, which is on a seven-month tour. A larger-than-life version of the Idaho potato, weighing six tons, is on a truck carrying signs promoting our potatoes along with Meals on Wheels. The truck will visit one or two retail stores each day, to help drive traffic to the store. We have made 75 visits already, helping to increase awareness of local Meals on Wheels programs. The truck stirs up interest in the charity and simultaneously draws customers to the markets. We are using social media to get our message out and have direct links to the Meals on Wheels website.” The Commission has already made sizable donations to Meals on Wheels and will make additional donations in the future.



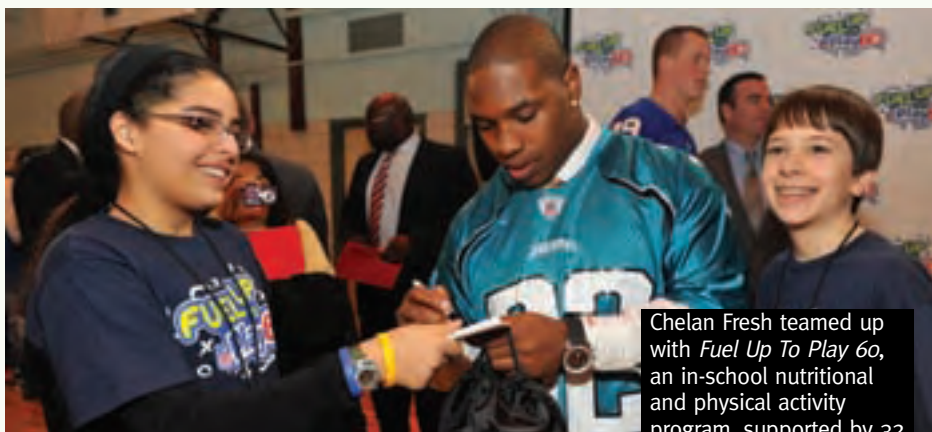


PHOTO COURTESY OF FUEL UP TO PLAY 60

Chelan Fresh teamed up with Fuel Up To Play 60, an in-school nutritional and physical activity program, supported by 32 NFL clubs.

Together with retail partners, FirstFruits Marketing donated more than 250,000 pounds of fresh apples to food bank food shelves across the United States and Canada through the 2012 *Take A Bite Out Of Hunger* initiative campaign. The initiative's goal is to help feed the underserved, while bringing attention to the problem of food insecurity in the United States. This is the second year that FirstFruits has partnered to make fresh apple donations in a retailer's name to local food banks.

Sweetbay Supermarkets, Sobeys, United Supermarkets, Grocery Outlet, Dave's Marketplace, H-E-B, and JH Harveys joined in the campaign to fill the shelves of local food banks. "Our retail partners joined us in supporting a cause that is critical to our mission of helping the underserved," says Andy Tudor, marketing director at FirstFruits. "We love providing fresh apples to the food banks because fresh and healthful produce is often missing from their pantries. Seeing the difference we can make in these communities is encouraging."

### Produce Helps Raise Autism Awareness

Potandon Produce conducted an April-May Autism Awareness Campaign, working hand-in-hand with the Autism Society. "A unique bag closure was created, using two icons, the familiar Autism ribbon and the Klondike family kids," reports marketing resource coordinator Barbara Meckler. "Consumers were invited to the websites of Klondike Brands and the Autism Society to learn more about the disorder and how to support it. Two million specially designed bag closures were distributed on select packages of Green Giant Fresh, Sunfresh, and other Potandon packaged potatoes."

Potandon co-sponsored the Autism Society's Autism Champions during the

month of April, and shared those stories on its website. A new installment of the company's online animated series featured a new character, which is certain to bring increased awareness to the viewership on understanding and accepting someone with autism. The company also made a financial contribution to the Society to help aid the cause.

### Even American Forests Benefit

"Cause marketing initiatives are a regular part of our outreach efforts," reports

Samantha Cabaluna, director of communications for Earthbound Farm, in San Juan Bautista, CA. "Sometimes we partner with retailers on their pet projects and sometimes we launch our own. We recently launched our *Take an Organic Step Forward* program, which is a subscription program where people sign up to receive an email a day with either a coupon, recipe or other tip for incorporating organic items into their life."

During the initial launch period, the company pledged to plant a tree with American Forests, a Washington, D.C.-based national non-profit conservation organization, for every person who signed up during the time period of April 16 through May 31.

Nearly 50,000 subscribers signed up, and Earthbound Farm made a \$50,000 donation to American Forests. "Cause marketing is definitely a feel-good experience for everyone," adds Cabaluna. "If we can generate awareness, excitement, engagement and funding for a deserving organization whose mission we support, everyone's happy. It gives people a reason to feel good about purchasing Earthbound Farm organic food." **pb**



PHOTO ABOVE COURTESY OF PEAR BUREAU NORTHWEST  
PHOTO AT RIGHT COURTESY OF CONCORD FOODS INC.



Concord Foods offers holiday-themed POS displays that include recipe pads and IRCs to use on holiday-related items, while bountiful displays of pears pique consumers' interest.

# The Fall Produce Push

Produce departments that don't take advantage of fall fruit and vegetable merchandising are missing out on a profitable opportunity. **BY LISA WHITE**

Summer is considered by many to be the prime time for produce, but it is also one of the more challenging times of year that produce departments can up the ante. By successfully merchandising fall produce, retailers can increase profit potential, while creating momentum for the slower winter season. The months just prior to the winter holiday season, starting in late September and running until right before Christmas, are a prime time for promoting fruits and vegetables that can be geared for fall holidays and activities. "We feel it is important to be innovative and introduce new ways to merchandise and create sales year-round in the produce department," says Mary Mooney, partner at Mooney Farms, located in Chico, CA.

## Emphasizing Fall Produce

There is a bounty of products that should be the focus for fall. In addition to the traditional new harvest items such as apples, pumpkins and cranberries, to name a few, other niche commodities have begun to "crop up" as the days get shorter. Washington State apples; bell peppers, cabbage, squash, cucumbers and eggplant from Florida, Georgia, Michigan and North Carolina; East Coast broccoli; sweet potatoes out of North Carolina, Mississippi and

Georgia; Colorado onions; potatoes from Washington State and Maine; limes from Mexico; and mangos from Brazil and Ecuador are some staple products that can be included in the roster of autumn produce.

"Of course, this is the time we gear up for the holidays and family get-togethers, which involve a lot of traditional produce meals," says Carrie Smith, marketing manager at Raleigh, NC-based L & M Companies Inc. "We have profiles on all our growers and a library of photos in order to assist with POS displays."

While grapes are harvested in late spring through summer and most of the fall, this time period is the peak of the season, with most of the new varieties introduced in the past 20 years harvested from September through November. "Demand for grapes has always had an uptick after Labor Day," says John Pandol, director of special projects for Delano, CA-based Pandol Bros. Inc. "The conventional wisdom was that back-to-school time drove this demand. I think the truth is it's a combination of two factors—the regional pockets of local produce, such as Jersey peaches, dry up in September, and the grapes are really good. We do see the highest consumption in the fall."

Because the pear harvest begins in August and products are available until December, fall is the season to build out this category, too

[Editor's Note: see Merchandising Pears article on pg 114]. "We recommend retailers offer eight or nine pear varieties," says Kevin Moffitt, president and CEO of the Pear Bureau Northwest (PBN), located in Milwaukie, OR. "From a merchandising standpoint, it's best to include different colors, such as brown, green, yellow and red."

For Thanksgiving, The Giumarra Companies, based in Los Angeles, CA, offers Nature's Partner asparagus from Mexico through its vertically integrated partnership, Giumarra Borquez. The farm was recently certified by Fair Trade USA. "This versatile item is increasing in popularity and is valuable to feature as a holiday side dish," says Megan Schulz, West Coast business development manager. "Retailers may consider setting up a secondary display in the meat department to encourage additional purchases."

Berries are another item to promote for fall holidays because this fruit can be incorporated in a variety of menu items ranging from drinks to desserts. "During fall, blueberries from the Southern Hemisphere are in season, and we will also have blackberries from Mexico," Schulz says. "We also offer a line of fall vegetables grown in Mexico, which includes bell peppers, cucumbers and squash."

Approximately 90 percent of fresh cranber-



Charlotte, NC  
Chuck Yow  
cyow@sagefruit.com  
704-861-2843

Kansas City, MO  
Tim Collin  
tcollin@sagefruit.com  
913-967-9307

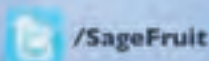
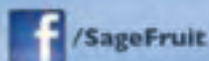
Minneapolis, MN  
Ryan Easter  
reaster@sagefruit.com  
509-895-9143

Cincinnati, OH  
Kevin Steiner  
ksteiners@sagefruit.com  
859-993-0003

Headquarters  
Yakima, WA  
John Onstad  
johno@sagefruit.com  
509-248-5828  
877-378-8484

Regional Headquarters  
Overland Park, KS  
Chuck Sinks  
csinks@sagefruit.com  
913-239-0660

Social Media  
Yakima, WA  
Kaci Kersstadter  
kkersstad@sagefruit.com  
509-248-5828



# BE THE BIGGEST WINNER

When You Use Our Biggest Loser® Promotions.  
Contact Your Marketing Rep For More Details.



[www.sagefruit.com](http://www.sagefruit.com)





**“After many years on hiatus, we’re seeing a return of the Grape-o-rama. With so many varieties available, there is more opportunity to run this type of promotion. We are also seeing increased use of two red seedless varieties or two white seedless varieties, one as a premium and one as a value.”**

— John Pandol, Pandol Bros. Inc.

ries are sold in November and December, according to SymphonyIRI, a market research firm based in Chicago, IL. The days before Thanksgiving are when sales of cranberries increase two-fold as compared to Christmas. Although mid-November is a key time to get these products in front of consumers, cranberries are harvested in mid-September, so retailers can take advantage of the good supply earlier in the fall season. “With cranberries, there are two holiday periods that are the focus and a great connection between cranberries and holiday meals,” says Blake Johnston, partner at The Cranberry Network LLC, based in Wisconsin Rapids, WI. “With cranberries showing up in more locations at the grocery store, they are more in people’s minds. It’s up to retailers to capitalize on this and feature cranberries at different times of the year.”

In the past, the cranberry segment had to contend with inferior quality or limited supply during the peak periods. Since The Cranberry Network has helped extend the season by focusing on handling practices, today the issues are more about quality and performance. “It’s about getting it into consumers’ minds that cranberries are an excellent garnish and side dish,” says Bob Wilson, partner in The Cranberry Network. “When retailers feature cranberries earlier in the season, such as in October, it improves sales for these products in November.”

The fall months of October and November are a prime time for sweet potatoes, and it is easier today than in the past to create a full display, since there are many more options



PHOTOS COURTESY OF THE CRANBERRY NETWORK LLC

**When retailers feature cranberries earlier in the season, it can improve holiday sales.**

available. Retailers can include white, Asian or traditional orange sweet potatoes as part of their offerings. Various size bags also are available. “One product we’ve had on the market for a couple of years that is becoming more popular is our 1½-lb. steamable bag,” reports George Wooten, president of Wayne E. Bailey Produce Co., based in Chadbourne, NC. “This non-refrigerated product takes eight minutes to cook in the microwave. It includes five potatoes ranging from four to six ounces. We also offer a single wrap microwave line, which is gaining in popularity.”

Fall also is a good time of year to promote garlic, as it is just coming off the harvest season, and both price and availability are favorable. “Some chains are looking for a full garlic center, and we can provide racks to hold both fresh and jarred garlic,” says Patsy Ross, chief marketing officer at Christopher Ranch LLC, based in Gilroy, CA. “It’s important to note that a one-size-fits-all approach doesn’t work with garlic.”

Pumpkins are an obvious fall product, but pears also are best highlighted in November and December. “When the weather is still mild, it’s a good opportunity to put these items outside of the store to better engage and attract customers,” suggests Mac Riggan, vice president of marketing at Chelan Fresh Marketing, located in Chelan, WA.

Timing is an important aspect to consider for fall merchandising programs, and holidays and occasions can help spur sales. In September, Labor Day is the time to push fresh new crop potatoes. Retailers can build out large displays of Russet, red and white potatoes for potato salads and cookouts.

Depending on the demographic, some

retailers may want to consider celebrating Hispanic Heritage Month, which runs from September 15 to October 15, and Mexican Independence Day on September 15 and 16 by featuring produce geared for Hispanic dishes, such as limes, tomatoes, onions, corn, bell peppers and chili peppers.

Fall signals back-to-school time for children, and produce department merchandising programs can highlight lunch box additions, including grapes, apples and pears. Providing signage or information on the importance of healthful eating can help encourage impulse sales for these items, as well. “Retailers should consider ordering small-sized fruit, such as apples, and price per each,” advises Smith of L & M. “This makes it easier for parents to calculate the cost to prepare their children’s lunches.”

Also, all retailers should take advantage of U.S. Apple Association’s National Apple Month, which is a 90-day event that runs from the first of September through the end of November, by posting information on the uses of each variety. “This will help consumers select the ones best suited for their needs and encourage repeat purchases,” Smith says. “For newer varieties, departments should post trait information and provide samples to encourage trials.”

### **Effective Merchandising Tools**

There are a wide range of promotional tools and ideas that can bring added attention to fall produce and help increase sales of items that are not as specific to the season. “Retailers can effectively cross-merchandise by displaying complementary produce-related items together,” says Samantha McCaul, marketing manager at Concord Foods Inc., based in Brockton, MA. “For example, our Candy Apple



Kits require consumers to purchase 10 apples.” Concord Foods is sponsoring a fall sweepstakes promotion that consumers can enter for a chance to win a trip to a New Year’s college bowl game. In-store merchandising and social media will support the promotion. The merchandising includes themed guacamole mix floor displays and on-pack stickers. Tailgating recipes will be available online.

This fall, instantly redeemable coupons are available on Cranberry Bread Mix for \$1-off fresh Ocean Spray Cranberries. A holiday-themed floor display is available with recipe pads. “For in-store support, we offer themed POS displays and on-pack labels/coupons,” says McCaul. “We recommend that displays be placed with complementary produce-related items. Online, we support our products using our company website, Facebook and our consumer e-newsletter.”

“After many years on hiatus, we’re seeing a return of the Grape-o-rama,” says Pandol of Pandol Bros. “With so many varieties available, there is more opportunity to run this type of promotion. We are also seeing increased use of two red seedless varieties or two white seedless varieties, one as a premium and one as a value. The limitation is cashier execution. The PLU code killed the Grape-o-rama. Cashiers don’t read the PLU, but see a bag of red grapes and input the code from memory. Bags and clamshells with some type of barcode set up for random weight scanning could make this work, but not all supermarket scanning systems are set up this way.”

Another recent trend is the high-graphic gusseted bag, which is making a reappearance in the marketplace. The reaction of retailers and customers has been mixed. “In a world where farmer’s markets, swap meets and roadside stands are all the rage, more packaging is off trend,” Pandol says.

With regard to holidays, for a number of years, stores have been running black grape bags or clamshells with Halloween themed packaging, but have experienced limited success. “The Hispanic tradition of consuming 12 grapes at midnight on New Years Eve is really the only grape-centric opportunity we have all year,” Pandol says.

Unlike grapes, cranberries are geared for the fall days that surround Thanksgiving and Christmas. However, it can be challenging to extend this fruit’s selling season. One way is to think outside the box in terms of usage ideas. “For example, one retailer created a cranberry pork roast, which can turn a three-week cranberry season into a three-month season,” notes Johnston of The Cranberry Network.

Produce departments can take their cues from other regions or even continents overseas like Europe, where cranberries are popular during game season in October. Featuring cranberry relish or side dish recipes to accompany venison or cross-merchandising ingredients to create glazes and garnishes for meat can expand sales of items that are a harder sell. “The most successful retailers are the ones that hit cranberry sales north of their ACV (all commodity volume),” says Wilson of the Cranberry Network. “Those are the stores that build excite-

ment through ad campaigns during the four- to six-week period prior to Thanksgiving.”

Rather than rely on deep discounting, retailers can draw attention prior to the holiday by offering coupons and BOGO incentives. Cross-merchandising and POS materials have not been successful tools in promoting cranberries. “We circle back to the same thing each year, which is having fresh product on the shelf,” Johnston says. “We’re a seasonal item, and that’s where we have focused our efforts.” Cranberries are best merchandised in cooled areas during

**HABELMAN BROS. COMPANY**

*Cranberries are not just a pretty fruit but a nutrient powerhouse.*

**Proudly Represented by:** 

**Promotion Through Performance**

*Habelman Bros. is the category leader for fresh cranberries providing a consistent, season-long pack-to-order supply from the middle of September until Christmas.*

404 Daly Avenue  
Wisconsin Rapids, WI 54494  
Phone: 715-422-0410

non-peak periods and then in freestanding displays in non-chilled areas right before Thanksgiving to ensure quality is preserved.

PBN encourages retailers to create a destination by grouping pears together. "In terms of promotions, it's effective to put all of the fruit on sale at the same time to lift the entire category and get consumers to try new varieties," Moffitt explains. Including smaller pears in the mix is not only a back-to-school marketing option, but is also a good value for retailers looking to add a lower priced product in which they can pass on the savings to customers.

From a support standpoint, PBN offers retailers POS material that can be customized with logos or information about the fruit, such as flavor profiles. QR codes that lead consumers to recipes and other digital POS materials can be customized for retailers. This year, PBN has partnered with the children's television series *LazyTown* to have pears featured in several episodes. It also has purchased the licensing rights to use the show's characters in its POS materials.

#### From Halloween Through Thanksgiving

Holidays such as Halloween are an opportunity for retailers to think outside of the box and be creative. "The Halloween promotions we've

**"Of course, this is the time we gear up for the holidays and family get-togethers, which involve a lot of traditional produce meals. We have profiles on all our growers and a library of photos in order to assist with POS displays."**

— Carrie Smith, L & M Companies Inc.

done have been fun and different at a time of year when there's not a lot of produce to promote, and there's more space in the produce department," says Christopher Ranch's Ross. Chain stores participated in a Halloween display contest, utilizing themed boxes for displays. "Some have gone to town even including videos at the display," she adds. "It's usually some sort of take on garlic in relation to vampires."

Christopher Ranch offers a program that provides redesigned boxes and will work with stores individually to provide recipes, channel strips, POP materials and custom packaging. "Garlic is more of an impulse item, so if it's on display with red tomatoes and green avocados, it is an eye-catcher," Ross says. "Also, this display creates an Italian flag look and provides a nice color separation."

Some produce items are more obvious for fall, such as apples in October for bobbing and covering in caramel. Retailers can cross-merchandise in less obvious ways to increase sales, like displaying pears with cheese. "Merchandising tools that are effective include secondary displays where something fresh from the produce department is next to a center-of-the-store item," says Chelan Fresh's Riggan. "Retailers are always looking for ways to cross-merchandise departments, and fresh is the way to do that." Chelan Fresh provides free merchandising display bands that slide over four apple boxes. The company's NFL Fuel Up to Play 60 promotion, highlighted in schools, was geared to encourage kids to fuel up on fruit and then spend an hour doing physical activities. This fall, Chelan Fresh is partnering with Disney for a



*Grower, Shipper  
and Processor  
of Fresh Vegetables  
and Herbs for  
Foodservice, Retail,  
and  
Industrial Applications.*

**805.928.2593**

[sales@goldcoastpack.com](mailto:sales@goldcoastpack.com)  
[www.goldcoastpack.com](http://www.goldcoastpack.com)

Santa Maria, CA

**EXCEPTIONAL  
FRESH PRODUCE.  
UNPARALLELED  
CUSTOMER SERVICE.**



**CAPITAL CITY FRUIT**  
Shippers and Distributors of Quality  
Fruits and Vegetables



Capital City Fruit  
1505 North Avenue,  
Norwalk IA 50211  
515-981-5111

**#1 Executive Search  
Firm In Produce**

**MIXTEC  
GROUP**



Leonard Batti    Jerry Butt    Chris Nelson

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


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

[mixtec@mixtec.net](mailto:mixtec@mixtec.net)  
[www.mixtec.net](http://www.mixtec.net)



# CALIFORNIA PRODUCE SHOWCASE

**ECLIPSE**  
**BERRY FARMS, LLC**  
 Shipping Strawberries  
 Oxnard & Watsonville shipping locations



Rick Hearst & Stuart Gilfenbalm  
**310.207.7879**

# UESUGI'S

**GROWER • PACKER • SHIPPER**

*Green, Red and Yellow Bell Peppers  
 Organic Bell Peppers • Napa • Chill Peppers • Sweet Corn  
 Pumpkins • Strawberries*

Greg Churchill - 408-847-9403  
 greg@uesugifarms.com

Damon Berkdull - 408-847-9427  
 damon@uesugifarms.com

Fax: 408-842-0274




**COLUMBINE**  
 VINEYARDS

A Legacy of Quality  
 • SINCE 1926 •

"COLUMBINE", "MC"  
 Autumn King,  
 Autumn Royal,  
 Black Globe®,  
 Crimson, Flame, Holiday®  
 Seedless, Majestic, Red  
 Globe, Scarlet Royal,  
 Summer Royal, Thompson

Sales Office  
**661-725-1777**  
 Shipping Office  
**661-725-6999**



[www.columbinevineyards.com](http://www.columbinevineyards.com)

**wellpict berries**

**UPDATE STATUS... DELICIOUS.**



FAVORITES

- 831-722-3871
- 831-722-6340 fax
- [www.wellpict.com](http://www.wellpict.com)




Sales Manager - Dan Crowley • Domestic Sales - Brad Peterson,  
 Mark Yotsuya, & Adam Crowley • Export Sales - Chris Tsuchimoto





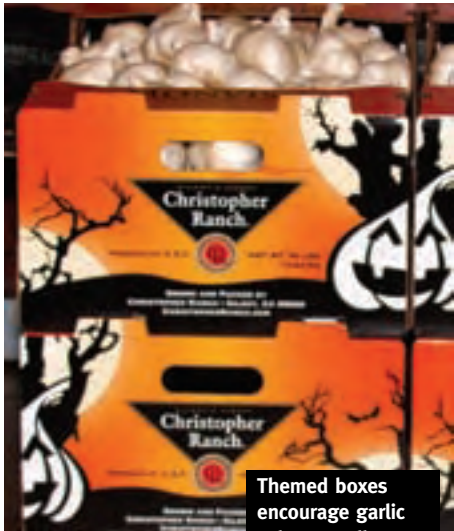



PHOTO COURTESY OF CHRISTOPHER RANCH LLC

**Themed boxes encourage garlic sales at Halloween.**

program that will highlight its packaging.

Another successful fall partnership was with peanut butter producer Jif. When consumers purchase a bag of Chelan Fresh apples in August or September, they receive a 55-cent coupon for Jif to Go, a peanut butter and apple dipping kit. "Metropolitan Market in Washington does a good job with promotions," Riggan says. "Its fall Halloween display includes merchandising

sleeves, secondary displays and themed tote bags, which help increase impulse sales."

Mooney Farms, which provides displays for holiday promotions in the produce department, offers a number of display options, including a sun-dried tomato destination rack that holds jarred items and retail bags; a single six-pack tray that is versatile and can contain five product varieties; and a metal floor display with color graphic header that holds a case of product. The company recently introduced a new floor rack that accommodates cases of its dry and oil-packed products.

Wayne E. Bailey Produce Co. offers promotional calendars for sweet potatoes, in addition to a floor stand for its steamer line that provides cooking tips. The company is now including QR codes on displays that lead customers to a video that discusses potato preparation.

Giumarra Cos. works with retail customers to develop marketing programs specific to its goals, such as moving volume or introducing a new product to consumers. "We encourage thinking outside of the produce department where appropriate, which might mean setting up secondary displays in other grocery departments," says the company's Schulz. "Examples

include avocados or asparagus with meat and berries or with bakery or dairy. Depending on the product, it is important to consider that proper refrigeration is crucial to maintaining quality. Retailers may also utilize aisle space if available to promote bagged fruit on racks."

Capitalizing on locally grown fall produce is another way to bring added attention and increased register rings. Retailers can emphasize these products by including facts and information on the farmers, origin and growing conditions.

With the wide range of produce available during the fall season, there is a multitude of merchandising opportunities. By corresponding with themes, like back-to-school and fall sports, or holidays, including Halloween, Thanksgiving and Columbus Day, produce departments can create destinations for consumers seeking fruit and vegetable options. It's important not to overlook secondary displays, cross-merchandising opportunities and materials provided by manufacturers, including POS items, recipe cards and signage. The more tools and creativity the retailer can utilize to highlight fall fruits and vegetables, the more mileage they will receive from these displays. **pb**

David Krause  
Paramount Citrus  
Delano, California  
Chairman  
United Fresh

**If you know David,  
then you know  
United Fresh.**

United Fresh members are leaders who want to make a real difference in the produce industry, and shape their own future in the process.

Are you ready to make a difference?

**United Fresh** *Being United  
Makes All the Difference™*

www.unitedfresh.org  
202-303-3400





Having a large display of pre-made baskets available will encourage impulse purchases.

# Fruit Baskets Bring Powerful Sales Opportunities To Produce

Not just a holiday boost, fruit baskets can add pop to produce all year long.  
COMPILED BY JENNIFER KRAMER

**A**s the holidays approach and gift-giving becomes top-of-mind, produce departments should consider adding fruit baskets to their offerings. Whether they are custom-made in house or ordered ahead of time, fruit baskets can provide a big boost at the register, with rings as high as \$40 or \$50 each. Beyond the holidays, a gift basket program is advantageous year-round, and can be offered as a hostess gift or a get-well gift.

PRODUCE BUSINESS spoke with a trio of experts in the fruit basket field to find out exactly what retailers should know about starting a fruit basket program, or continuing to grow their own. On the following pages, Rebecca Gibson, director of sales and marketing at Basket Ease in Prior Lake, MN; Rita Neczypor, marketing and packaging design coordinator at Procacci Brothers, in Philadelphia, PA; and Cheryl Thompson, packaging specialist with Willow Group Ltd., in Batavia, NY, share their knowledge.



PHOTO COURTESY OF PROCACCI BROTHERS

### 1. What is the profit potential of selling gift baskets in produce?

**Rebecca Gibson:** When you make your own fruit basket, you have a greater potential for profit as it is less expensive to make and the retail price will be lower. Traditionally, the gross profit will be between 40 to 50 percent; net profit is about 20 to 30 percent. Depending on a retailer's specific sales volume, it may need to offer a combination of the store-made fruit baskets and pre-made baskets to meet customer demand. When retailers make their own, they can have the traditional fruit baskets with grapes and bananas, and then supplement that with pre-made baskets that include durable fruit, meaning no grapes and bananas.

**Rita Neczypor:** Selling gift baskets in the produce department is absolutely the best deal you can get. It's rare that retailers have items in produce that hit \$18, \$29, or \$36. It is certainly one of the better profit margins in the produce department.

**Cheryl Thompson:** Profit margins can reach 35-48 percent.

### 2. What are the benefits of placing gift baskets in produce? What would you tell retailers to convince them it's worth sacrificing their precious produce shelf-space?

**Gibson:** The produce department is the first place customers go to in the store... and, generally, when they have time to spare. If you wait until the customer is done shopping, they have already walked the whole store and are ready to leave. At that point, they don't want to spend time browsing gift ideas.

It's also important for retailers to recognize they don't need a large area to display the baskets, or even eliminate current shelf-space. A display rack can be added to the end of a shelving unit or the start of the aisle. By having a free-standing display, retailers can place it wherever there is free space. A wire rack that is 36" x 60" x 12" will hold approximately 16 baskets, depending on size of the baskets.

**Neczypor:** Gift baskets are an impulse purchase, and they need to be visible for customers to think about purchasing them as a gift or for use in their own home. That alone means they need to be placed in the produce department, which is at the front of most supermarkets.

Especially during the holidays, if retailers have plenty of baskets to choose from, customers will want to buy them. We like to say they are "a gift worth giving." Even beyond the holidays, gift baskets make an excellent get-well gift or hostess gift. They are really an "anytime gift" that is healthful and fresh.

**Thompson:** The benefit of placing gift baskets in produce include added sales, increased interest and returning customers.

### 3. What recommendations would you give to retailers who are considering starting a new gift basket program?

**Gibson:** Retailers should start their planning now and have a good idea about how many baskets they want to sell and when the program will start. It's also a good idea to place some signage in the stores letting customers know that they can buy freshly made fruit baskets at your store. Some people start their Christmas shopping in September or October and they need to know you will be selling fruit baskets so



they can plan on that gift.

Get your supplies in early, so there is time to train the person who will make the baskets. Plan the area the baskets will be displayed, and be sure to keep them in one spot; customers do not want to walk the whole store deciding which fruit basket they want.

Offer some baskets that do not have grapes and bananas, as they have a longer shelf-life. These baskets are great for slower business days and for gifts that are not going to be given the same day. Also, use items that are not just from the produce department, such as a bag of candy in place of the grapes, or a bottle of wine that complements the fruit. You can even include some cheese and crackers.

The most important thing is knowing how much your customers can afford to spend. If your store is in an area that has lower income levels, don't make a lot of high-end baskets your customers cannot afford to buy. You make more profit per basket, but you need to be able to sell it to make it. The same holds true if you are in a high-income level.

**Neczypor:** Consistency is key. Retailers should address all the holidays, all the occasions. They also should offer gift baskets at a variety of price points, keeping in mind that gift baskets transcend the customers' demographics, as they are willing to spend more on a gift.

Retailers should also be sure to have sizable displays so customers don't see only a few baskets and think they are leftovers. There should be plenty of posters, signage, pamphlets and order forms so customers know they depend on that retailer for a gift. The register, deli, floral, and produce departments are all good places for these, especially if the retailer has a year-round program. If it's not a year-round program, advertising the baskets in store circulars will let customers know it's time to place their orders.

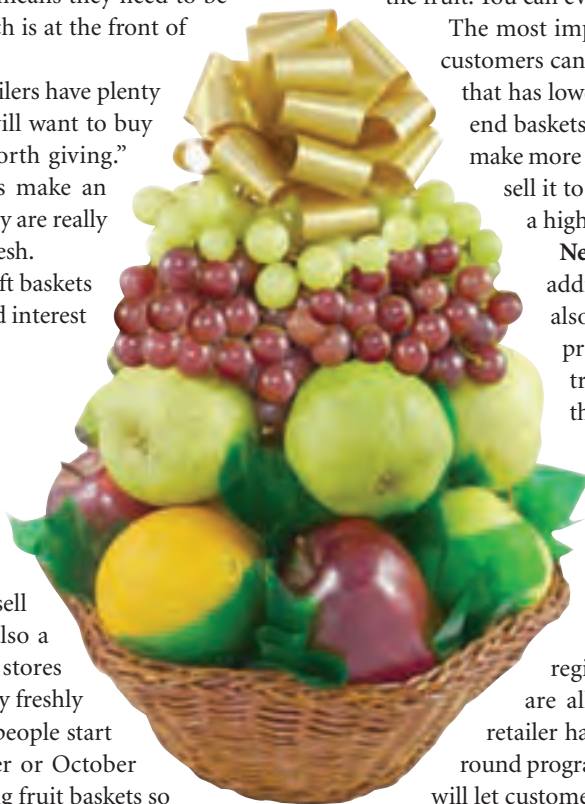


PHOTO COURTESY OF BASKET EASE





PHOTO COURTESY OF  
WILLOW GROUP LTD.

**“Selling gift baskets in the produce department is absolutely the best deal you can get. It’s rare that retailers have items in produce that hit \$18, \$29, or \$36.”**

— Rita Neczypor, Procacci Brothers

**Thompson:** Keep it simple. For gift baskets, use recognizable name brands, only items sold in your stores, and price points that work with your store’s demographics.

**4. What produce items are most popular in a gift basket?**

**Gibson:** In my experience, the fruit that comprise the traditional fruit baskets are apples, oranges, and especially grapes and bananas. People seem to be looking for useful and comfort items as gifts. They are reflecting back to when it seemed there was a fruit basket every Christmas, and they want that basket — the ones that had grapes and bananas.


**Neczypor:** In a pre-made basket, you need hearty fruits, such as apples, oranges, grapefruits, pears and grapes. We don’t include bananas because that diminishes the shelf-life immediately. The only time you can include bananas is when it is a custom order and headed right out the door.

In addition to produce, the container must have a perceived residual value; it needs to be

something that the recipient will want to use again. More upscale baskets could also include preserves, chocolates, candies, crackers, cookies, coffee and tea.

**Thompson:** With the increase in exotic fruit sales, there should be an exotic fruit basket available. Basic fruit is no longer seasonal and is available 365 days a year. Produce departments need to reach into this exotic fruit category, as it’s one area that consumers aren’t purchasing

from daily, so it’s still special, and the sales are continuing to increase. Ethnic produce baskets are made and sold with success in those niche areas. Also, if available in the produce department, include the dried fruit and nut mixes in baskets. This category is continuing to grow and the quality and varieties keep improving. Non-perishable baskets are a great way to add integrity to a perishable display. They are also easily made holiday-specific, adding pizzazz to the fresh fruit display. **pb**

**With**  **Grapes and Bananas**

**Or Without**

**You Decide**

**When You Make Your Own Fruit Baskets**

**Basket Ease®** Makes It Easy

With the Original Patented and Trademarked Containers

Designed to Make Fruit Baskets

16150 Texas Ave • Prior Lake, MN • 800-733-3168  
info@basketease.com



PHOTOS COURTESY OF NEW YORK APPLE ASSOCIATION



Local apples are important to New Yorkers, who anxiously await the start of the season.

# New York Apple Industry: Open For Business

Despite a shortened season and a crop half its usual size, New York apples will continue to provide excellent eats. **BY CAROL M. BAREUTHER, RD**

“**B**uy ‘em while they last” will be the ideal retail merchandising mantra for New York-grown apples this season. The nation’s second largest apple producing state, after Washington, is forecast to run short by half or more this season due to a late April freeze that sent temperatures plunging into the low 20s. This means instead of the average 30 million bushels worth \$270 million to growers in 2011, estimates peg this year’s crop at 12 to 15 million bushels. On the plus side, a hot, somewhat dry summer has produced an unprecedented early harvest; quality is expected to be excellent with exceptionally sweet fruit; a variety of sizes including large fruit will be available, and volumes will be good throughout the fall and into the early winter. In other words, New York State is definitely still open for business when it comes to marketing and merchandising apples this season.

That’s great news for Paul Kneeland, vice president of produce and floral at King’s

Super Markets, a 25-store chain based in Parsippany, NJ. “Local or New York apples are important to our customers. This is especially true for varieties such as Empire and McIntosh that have a loyal following.”

## An Industry With Deep Roots

The first apple tree was planted in New York over a hundred years before the United States declared itself a nation. According to Jim Allen, president of the New York Apple Association (NYAA), in Fishers, NY, “The Dutch, who settled here in the 1600s, brought with them a long history of horticulture and farming.” Growers in New York have made the original settlers proud. In 2006, there were 697 commercial apple growers in the state, according to the USDA-NASS *Fruit Tree and Vineyard Survey of the New York Fruit Industry*, March 2008.

Natural attributes have certainly contributed to why New York has become an apple-growing powerhouse. Brian Nicholson, vice president of Red Jacket Orchards Inc., in

Geneva, NY, says, “It’s as simple as latitude. New York is located in what’s known globally as ‘the apple belt.’ The state’s climate, soils, topography and numerous bodies of water make it a perfect place for apple growing.”

Indeed, the state’s some 55,000 apple acres are located in six major growing regions and all are near water. Through the





NOW, MORE THAN EVER,  
***It's Time For Fresh***  
New York State Apples



***It's an early apple harvest,*** thanks to the warm weather. So now's the time to order your New York Apples, because this year's crop will sell out quickly. Don't disappoint your customers who are waiting for the just-picked freshness of early New York favorites like Ginger Gold, Gala, McIntosh, and sweet treat Honeycrisp – plus all the varieties soon to come including Empires and other tasty, crisp choices. This year's crop delivers exceptionally fine flavor and size; although production of some varieties will be below normal volumes.

Your customers are ready for New York apples for snacking, pies, recipes, sauces and appetizers – and they're looking for fresh cider, too. Now, more than ever, order early and support proud New York Apple Growers who work hard to deliver apples that get to you and your customers quicker with unsurpassed quality.



WWW.NYAPPLECOUNTRY.COM



# floralbusiness...

a convenient hand-held tool to help your floral business bottom line

## FLORAL BUSINESS is...

- a new magazine concept exclusively devoted to supermarket floral executives
- a magazine addressing marketing, merchandising, management and procurement concerns
- a magazine providing important how-to information on topics such as pricing, labor, space-to-sales, seasonal promotions, care and handling and value-added services
- a magazine that seeks answers from within the industry and reaches out to the retailers themselves — as well as leading floral marketers — for solutions
- a magazine that is easy-to-read and pass along — all the way down to the store-level floral managers



FLORAL BUSINESS — your tool kit to prosperity

Catch it Quarterly and online Every Day!  
Quarterly: September, December,  
March and June

Available online every day at  
[www.FloralBusinessMagazine.com](http://www.FloralBusinessMagazine.com)



PHOTO COURTESY OF KING'S SUPER MARKETS

King's Super Markets frequently cross-merchandises apples with complementary cheeses.

centuries, farmers have become even better at cultivating high quality apples. For example, New York pioneered controlled-atmosphere storage of apples. In addition, many growers have switched from the old

Wolcott, NY-based Fowler Brothers Inc. has added a robotic palletizing system, and Sun Orchard Fruit Co., in Burt, NY, will open a new packing line next spring that can pack bags and trays.

**“We have close to 70 million customers within a 250-mile radius and can ship same day or overnight. This translates to less travel time, lower freight costs and a fresher product.”**

— Russell Bartolotta, Jr.  
Klein's Kill Fruit Farm Corp.

standard-sized trees to dwarf and semi-dwarf rootstocks that allow for better and faster yields. Today, New York's apple growers, packers and shippers have made a tremendous investment in infrastructure and cutting-edge technology.

For example, Jody Pavero, owner of Pavero Cold Storage Corp., in Highland, NY, reports, “We opened a brand new packing line and can now grade, size and sort fruit by color and defects electronically.”

## Marketing Advantages Help Aid Apple Crop

On the other side of the coin, New York has many marketing advantages for its apples. Nicholson sums it up best when he says, “It's all about location, location and population.”

Russell Bartolotta, Jr., owner and general manager of Klein's Kill Fruit Farm Corp., headquartered in Germantown, NY, agrees and adds, “We have close to 70 million customers within a 250-mile radius and can ship same day or overnight. This translates to less travel time, lower freight costs and a fresher product.”

Another ad-vantage is the sheer number of apple varieties grown commercially in the state. Allen points out, “The state grows 24 or 25 varieties commercially and another 25 that are sold through farmer's market and pick-your-own operations. We're seeing an increase in antique Heirloom varieties such as Orange Pippin, Spy and Baldwin.”

Mike Maguire, produce director at DeMoulas Market Basket, a 69-store chain, headquartered in Tewksbury, MA, shares, “We'll offer over a dozen varieties of New York apples in the fall.”





PHOTOS COURTESY OF NEW YORK APPLE ASSOCIATION

**“Retailers miss the boat if they don’t call out ‘New York’ on signage. We offer a variety of tools to help them do this from point-of-sale materials such as variety guides to QR codes put on bags by our packers. There’s a real benefit in connecting customers to their supplier and the origin of the apple.”**

— Jim Allen, New York Apple Association

“Some of the most popular varieties, such as McIntosh, Empire, Cortland and Macoun, aren’t grown in Washington,” adds John Cushing, vice president of sales and marketing at New York Apples Sales Inc., in Castleton, NY.

The joint Cornell University and USDA-ARS Apple Rootstock Breeding and Evaluation Program, in Geneva, NY, has released seven apple varieties now grown around the world. These include Empire, Jonagold, Macoun, Cortland, Jonamac, Fortune and Autumn Crisp.

An additional marketing plus for the state is its normally consistent year-to-year supply and availability that stretches into July or nearly 12 months.

### Short Season Expected

This year, New York will see its first significantly decreased apple crop since 1945. “The freeze affected the state across the board,” says the NYAA’s Allen. “However, some areas were hit worse than others.”

“The western part of the state, from Albany to Buffalo, suffered the worst,” adds Pavero’s Pavero. “Normally, this area would produce around 18 million bushels, but this year, there will be up to a 90 percent reduction, or around 3 million boxes. In the

Hudson Valley, the typical 8 to 9 million bushel crop will be down about 50 percent to 4 million bushels,” she details.

Klein’s Kill’s Bartolotta sums up the situation this way, “We don’t want to scare anyone. There is going to be apples. From September into the first of the year there will be plenty. The first five months of the season will be business as usual. However, from mid to late winter onward we expect supplies to dwindle. So the season will just end earlier this year and we hope to be back to a full crop next season,” he says.

Beyond volume, fruit sizing looks good. Red Jacket’s Nicholson points out, “Due to the frost, some growers didn’t thin aggressively, so we should have a nice selection of sizes, including a fair amount of tray fruit.”

### Top Sellers & Up-And-Comers

The two favorite New York apple varieties, McIntosh (21.6 percent) and Empire (13.8 percent), comprise more than one-third of the state’s apple crop. “McIntosh is nostalgic for many people,” says Market Basket’s Maguire, “especially for the customers who grew up on this variety.”

Tim Mansfield, director of sales and marketing at the Sun Orchard Fruit Co., says, “McIntosh is definitely one of our most

## TOP APPLE VARIETIES GROWN IN NEW YORK

Variety	Million Pounds
McIntosh	275
Empire	175
Red Delicious	120
Golden Delicious	105
Cortland	105
Rome	100
Idared	70
Crispin (Mutsu)	35
Other	285

Source: New York Agricultural Statistics Annual Bulletin 2010-2011

popular varieties, especially in New York City. Empire is second.”

Empire is the best-selling New York apple variety at Kings, according to Kneeland, who adds, “McIntosh, Jonagold, Paula Reds, Crispins and Macoun are also popular.”

Sandy Cohen, president of Cohen Produce Marketing, headquartered in Aspers, PA, adds, “Empire is the variety worst hit in the spring freeze, although everything is down somewhat.”

In other varieties, Mansfield says, “We’ve planted a lot of Gala.”

Red Jacket Farms is one of the largest growers of Fujis in the state.

“Honeycrisp is one of our most valuable apples in terms of sales dollars, and we’re not close to meeting demand,” acknowledges NYAA’s Allen.

Lee Peters, vice president of sales and marketing for Fowler Brothers, agrees and adds, “In addition to Honeycrisp, which harvests around September 10, newer varieties we are growing include Zestar, which typically harvests the third week in August, and Sweet Tango, which starts harvest the 10th of September. All three continue to be home runs.”

New York Apple Sale’s Cushing shares, “Some of our growers have planted a New Zealand variety called Koru. It’s a Braeburn-Fuji cross that harvests in late October. We expect commercial quantities out of the state in the next couple of years.”

Also on the drawing board for commercial debut in 2014 or 2015 are two apple varieties currently designated as New York 1 and New York 2. The Cornell-bred varieties have been licensed to growers who formed New York State Apple Growers LLC, and will manage and market the variety. Klein’s Kill’s Bartolotta explains, “New York 1 has Honey-



**“Local or New York apples are important to our customers. This is especially true for varieties such as Empire and McIntosh that have a loyal following.”**

— Paul Kneeland, King’s Super Market

crisp parentage, but is redder and little easier to grow and harvests in mid-September. New York 2 harvests in October and will be good for the fresh market or processing.”

### Call Out ‘New York’

New York apples are signed as being grown in the state at Kings Super Markets. “It’s part of our ‘Discover Local’ signage where we write the item, price, talk about the apple and list the farm’s name,” explains Kneeland. “We also like to offer apples in totes. It gives a farm-stand look and feel to the product.”

Allen adds, “Retailers miss the boat if they don’t call out ‘New York’ on signage. We offer a variety of tools to help them do this from point-of-sale materials such as variety guides to QR codes put on bags by our packers. There’s a real benefit in connecting customers to their supplier and the origin of the apple.”

Building large displays of New York apples is also profitable. From January 23 to February 7, the NYAA ran a display contest open to all commissaries in Defense Commissary Agency’s (DeCA) eastern division, and 69 commissaries in 25 states participated.

Displays included bulk or bagged New York apple varieties such as McIntosh, Empire, Jonagold, Crispin, Rome or Cortland, as well as Marzetti-brand caramel apple dip and apple crisp for cross-merchandising. As a result, sales of New York apples at participating commissaries increased 17 percent overall. Individual commissaries reported up to a 64 percent increase in apple sales and 76 percent rise in sales on Marzetti apple products.

### Promotion Is Possible

Price promotion will be more challenging this season due to the reduced crop. “However, we certainly want to keep the name out there and keep New York apples on the shelf,” says Sun Orchard Fruit Co.’s Mansfield.

Cohen Produce Marketing’s Cohen agrees and adds, “Promotions will still be possible, but the big question will be at what price.”

“Processors got an early jump this year on soliciting for apples, and they are setting the floor for the fresh market,” Klein’s Kill’s Bartolotta says. “It all boils down to supply and demand.”

According to Pavero Cold Storage’s Pavero, “Juice processors are paying 20- to 25-cents per pound compared to 8-cents normally. It will really be an interesting year. It’s like trying to find your way in new snow when there are no footprints to follow. On the other hand, retailers are used to paying \$20 to \$21 FOB for New York apples in the fall and FOBs of \$40 and \$50 per case on imported apples, so the ability to offer and pass on higher retails is there.”

What will be advantageous is promoting the locally or regionally grown attributes of New York apples, especially on the East Coast. King’s Super Market’s Kneeland says, “Local is big for us. Our customers now expect us to source local product.”

**pb**

You work hard...  
Your advertising should too.

Building your produce business demands the best you have to offer. Long hours. Tough decisions. Making sure you get the most for each dollar. Reaching for the competitive edge.


All reasons why your advertising should be in **PRODUCE BUSINESS**.

PRODUCE BUSINESS is the industry’s leading magazine reaching more purchasing decision-makers than any other produce publication. Its articles, departments and columns are unique... exploring the business of produce, presenting ways to run businesses better, and searching out new business opportunities for its readers.

Quality editorial combines with a quality environment for your advertising message. Look through the pages of this issue. Superior paper. Excellent color. A permanently bound magazine, every month.

You’ve earned your business’ reputation by giving a little extra, striving to be the best. Shouldn’t the place you advertise reflect your effort?

To find out more about how **PRODUCE BUSINESS** can make your advertising work harder for you, give us a call.



producebusiness

24th Annual  
MARKETING EXCELLENCE AWARDS

producebusiness

561-994-1118 • Fax: 561-994-1610  
www.producebusiness.com



# NATIONAL APPLE SHOWCASE



For a list of Pennsylvania Apple Shippers, visit our website at [www.pennsylvaniaapples.org](http://www.pennsylvaniaapples.org)

Karin Rodriguez, Executive Director

Phone - (717) 783-5418

Fax number - (717) 783-4262

Harrisburg, PA



Premium Eastern Grown Apples From These Fine Growers

Bear Mountain Orchards

Bream Orchards

El Vista Orchards

Turkey Knob Growers

KEYSTONE FRUIT MARKETING, INC.

GREENCASTLE, PA USA 1722

717.597.2112

Email: [lisa@keystonefruit.com](mailto:lisa@keystonefruit.com)

NESS BROS. FRUIT CO.



RED DELICIOUS • McINTOSH  
GOLDEN DELICIOUS • STAYMAN  
EMPIRE • GALA • FUJI • ROME

Export & Domestic CA Storage

PLU Labeling Available

Shipping August - June

717.656.2631

Fax: 717.656.4526

500 BECKER RD. LEOLA, PA 17540

Rice  
Fruit Company

Sweet Natured

It describes our fruit. Our beautiful rolling hills are ideal for growing sweet & flavorful apples.

It also describes the way we do business. We try hard to make sure our customers are completely satisfied.

Call us & find out what we can do for you.

1-800-627-3359 • [sales@ricefruit.com](mailto:sales@ricefruit.com)

NIAGARA  
FRESH FRUIT CO.

DIV. OF BUCOLO COLD STORAGE

PACKING, STORAGE AND  
SHIPPING OF FRESH FRUIT  
FOR OVER 36 YEARS

Packing all size polybags, trays  
and specialty packs

"NIAGARA FRESH BRAND"

FOR THE BEST OF THE  
WESTERN NEW YORK APPLES



Call: Jerry Bucolo,  
Chris Bucolo & Richard Hite

716-778-7631

FAX: 716-778-8768

5796 WILSON BURT ROAD

BURT, NY 14028



Providing premium  
apple programs  
from Washington's  
leading growers:

- Crane & Crane
- Big Check
- Honeybear Growers

800-551-6183

Your locally grown apple experts!



CALIFORNIA APPLES

Shipping *Prima Frutta*® Brand

Gala, Granny, Fuji  
& Pink Lady

ALSO SHIPPING  
FRESH CHERRIES & WALNUTS

Call Rich

209-931-9420

Fax: 209-931-9424



Mexico is the leading exporter of avocados in the world.

# Expand Avocado Category By Promoting Imports

Avocados' popularity feeds growth opportunities. **BY AMY SAWELSON**

**A**ccording to a representative of the Mexican Hass Avocado Importers Association (MHAIA), just a few years ago, a consumer in the Northeast part of the United States tried to bite into the skin of a whole Hass avocado, and then inquired about directions for boiling it. This anecdote is indicative of how far and how fast avocado consumption has come. Once rare and exotic, consumption of avocados has exploded over the past 10 years from 2½ lbs. per capita in the United States to 4½ lbs. They are one of the fastest growing items in supermarkets and represent sales of over \$1 billion in the United States, with consumption growing at a rate of 8 percent per year.

Any discussion of avocados in the North American retail marketplace comes down to the Hass variety, developed in the Southern California town of Hacienda Heights by Rudolph Hass in 1935. Hass avocados, with their black pebbly skin and rich, buttery pulp, are the leading variety found in supermarkets. It's not surprising, given the Hass avocado's many seductive qualities. Its smooth, creamy

pulp is not only delicious, but also nutrient-dense, full of healthy monounsaturated fats and vitamins, all within its own durable "shipping" shell. Consumers have come to recognize the versatility of avocados and the way the fruit enhances every meal from breakfast, snacks, salads, main courses, even desserts.

## Imports Allow Year-Round Availability

With the growth of avocado consumption in the United States, suppliers had to find other sources despite initial resistance to importing foreign-grown fruit. Rob Wedin, vice president of fresh sales and marketing for Calavo Growers Inc., in Santa Paula, CA, says, "When we realized the avocado demand has growth worldwide, we established field and packing operations in Michoacán, Mexico. This supply complements our California supplies relating to both time of year and region of the USA. Approximately one-half of our annual sales volume is imported from Mexico."

California avocados, which are grown from Santa Barbara County south to the Mexican border, are available March through September, with the peak months falling between May and

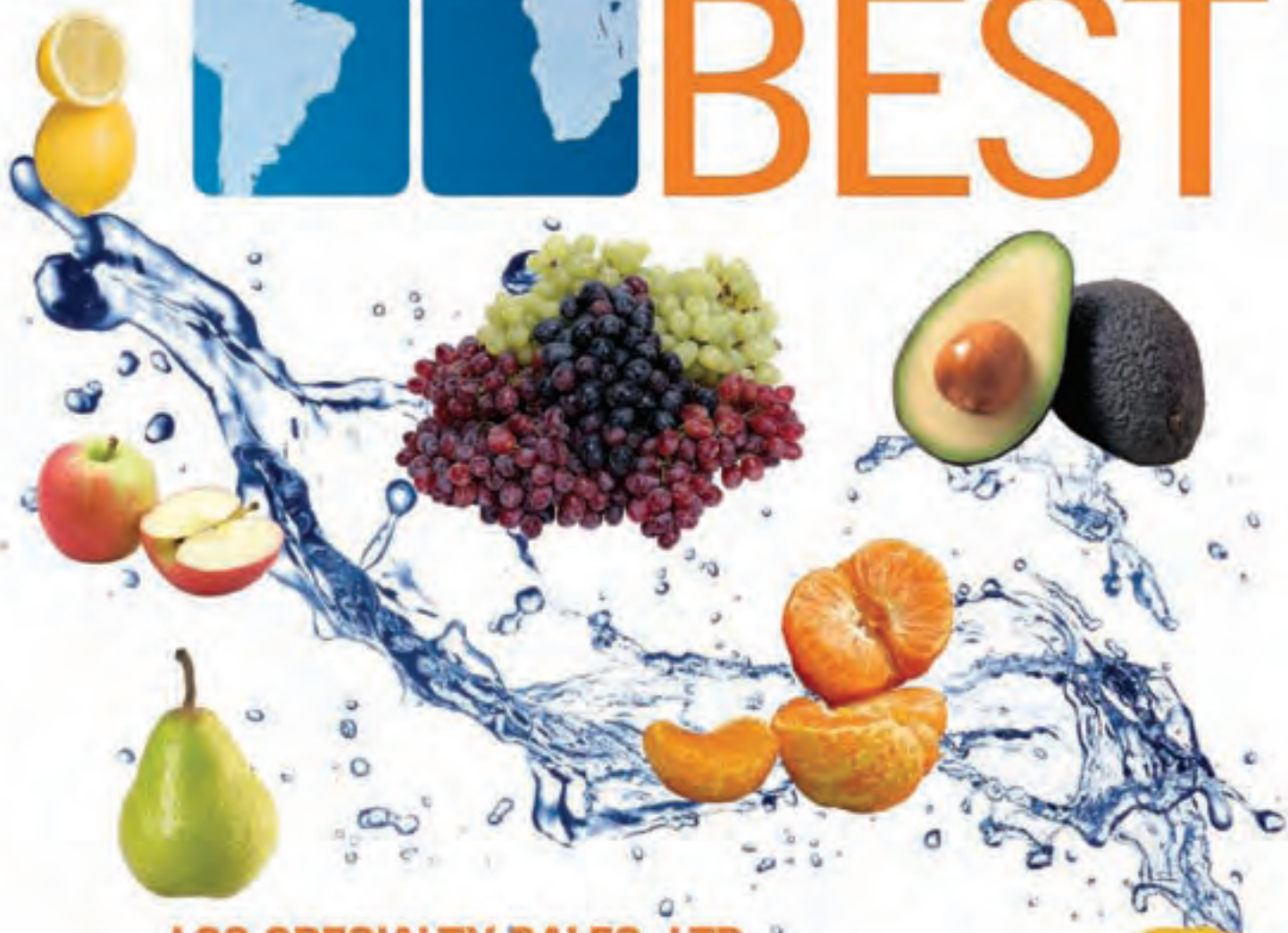
August. Chile, with its complementary seasons harvests avocados from August through March with peak quality months of December and January. Mexico harvests quality avocados year-round, with November through April the months for peak fruit. Peru is an up-and-coming country of origin for Hass avocados, and its prime growing season runs from April through September with peak months of May through August.

With consistent availability of avocados, more and more demand for them has been created, exceeding supply. Bill Tarleton, director of marketing communications for Oxnard, CA-based Mission Produce Inc., says, "Even with four countries — United States, Mexico, Chile and Peru — as major growers of avocados, supplies will sometimes be short. This is why growers and packers with a strong stake in domestically grown avocados are partnering with growers and packers in Mexico, Chile and Peru." Mission Produce has partners in all three countries, and Tarleton believes "Peru is the next great source for avocados. The growing conditions are excellent, there is less regulation and huge opportunity." He adds,





# LGS... BRINGING YOU THE WORLD'S BEST



**LGS SPECIALTY SALES, LTD.**

718.542.2200 • 800.796.2349 • Fax: 718.542.2354

[www.lgssales.com](http://www.lgssales.com)



## IMPORTED-AVOCADO COMMISSIONS LEND A HAND

The Mexican Hass Avocado Importers Association (MHAIA), Chilean Avocado Importers Association (CAIA) and recently developed Peruvian Avocado Commission (PAC) have all developed highly creative programs to promote their respective avocados during peak availability times. Jackie Bohmer, director of marketing for the Mexican Hass Avocado Importers Association, located in Fallston, MD, describes the promotional activity that runs during the September and October American League Baseball Championships called *The Big Hit*. “At the retail level, 4,000 supermarket displays nationwide will offer game-day recipes, avocado selection and prep tips and sweepstakes entry information. Produce managers will also have a chance to get in the game through a Big Hit retail display contest. Store level POS supports the program as well as print ads, TV and radio spots tagged to encourage consumers to see demos at the store. To celebrate Hispanic Heritage month, September 15 to October 15, MHAIA will partner with *Extra TV* and sweepstakes that will send one lucky avocado fan and a companion to Mexico for a first-hand culinary and cultural immersion.”

“For the first time in four years, new MHAIA TV spots are slated to run on national cable TV; they will target women and food-lovers on Food Network, Bravo and HGTV with a whopping 91 million impressions,” adds Bohmer. All this promotional activity translates to increased traffic in the produce department and increased sales of this high-margin item.

Maggie Bezart, marketing director for the Washington, D.C.-based Chilean Avocado Importers Association (CAIA) explains that its promotional activities are vertically integrated for retailers. “We distribute \$85,000 in prize money for

display contests aimed at produce managers. Focused around a Choose Your Theme concept, CAIA has developed a contest that allows retailers to choose one of several themes that fit their store and produce department goals. The three most impactful displays win. Football-themed *Grab Some for the Game* is a store-level program that runs October through January with produce department displays, cross-merchandising opportunities, all of which are customizable by the retailer. January is Avocado Lovers Month with Chilean avocado in-store display materials and a program for customers to enter a sweepstakes via QR code, Facebook or the Chilean avocado website to win a \$500 gift card to the store where they shop.” Bezart continues, “CAIA uses social media to run new consumer contests every month with store card prizes. This rewards retailers, because customers come back to spend their gift cards at the store.”

As this year is the first year Peruvian avocados will be shipped into the United States, the PAC has been going full steam ahead with its marketing efforts. The PAC’s first major marketing campaign, *Monumental Taste*, shares the unique heritage of Peru and builds on the growing popularity of Peruvian cuisine in the United States. Robust media coverage includes billboards, radio ads, in-store signage, blogger and media outreach and the launch of a website, [www.avocados-fromperu.com](http://www.avocados-fromperu.com). The Commission has also named Peruvian chef Ricardo Zarate of Mochca Restaurant in Los Angeles, CA, as the official spokesperson for Peruvian avocados.

Importers, packers and retailers all agree that the massive growth of avocados is possible due to imports, and the availability of delicious, healthful avocados is a significant profit opportunity. **pb**

“Fruit from Peru has been larger than California and Mexico lately. That’s probably due to the fact that most of their trees are young, and younger trees tend to yield larger fruit.”

### Mexican Crop Supplies U.S. Demand

According to Wedin, “A lot of people were introduced to avocados via Mexico when they first began to be imported. Mexican avocados are popular in the East and are even identified as ‘local’ in Texas.” Thanks to the rigorous

quality control program devised and overseen by the USDA and Mexico’s Ministry of Agriculture, consumers are assured of consistent supplies of high quality Hass avocados from Mexico throughout the year. Mexico is the only place in the world where avocado trees naturally bloom up to four times a year, which ensures a quality crop and a consistent supply.

Today, Mexico is the leading exporter of avocados in the world. Twenty years ago, there was resistance to importing avocados from



PHOTO COURTESY OF AVOCADOS FROM MEXICO

Thanks to support from the MHAIA, the Avocados from Mexico program is well known at retailers around the country.

Mexico due, in part, to concerns about effective food safety practices. Also, growers in California, which produces 90 percent of the U.S.-grown avocados, did not welcome the prospect of foreign competition. Calavo, which has invested heavily in growing and packing operations in Mexico, realized years ago that providing a consistent supply would keep up demand for avocados north of the border. Says Calavo’s Wedin, “As our California volume seasonally declines, our volume of avocados from Mexico increases. This occurs at slightly different times each year depending on the size and quality of the two crops. California volume and quality are much improved over 2011. This provides some time for the new crop in Mexico to mature. One of our objectives is to maintain consistently good quality and flavor as we transition from each country of origin.”

Providing retailers with a dependable supply of quality Hass avocados with optimal flavor and oil content keeps customers in the habit of purchasing avocados. “By bringing in Mexican avocados, retailers can maintain constant availability,” explains Jackie Bohmer, director of marketing for the Mexican Hass Avocado Importers Association, located in Fallston, MD. “When one country’s crop is low, other countries supply that demand, ensuring retailers have product for their customers.” Bohmer adds, “In 2005, there were 800 million pounds of Hass avocados from all origins imported into the United States. Projections for 2012 are well over 800 million pounds coming in from Mexico alone.”

As far as Mexican operations, Wedin states,



## PERU: THE NEW RISING STAR FOR AVOCADOS

With a peak season of May through September, Peruvian Hass avocados were first imported into the United States in 2011. “This year will be the first full year Peruvian avocados can be brought into the United States,” says Jim Donovan, vice president of international operations for Oxnard, CA-based Mission Produce and importer category secretary/treasurer of the recently established Peruvian Avocado Commission, headquartered in Washington, D.C. Many believe that Peru is poised to become the next important country of origin for Hass avocados. According to the Commission, Peru’s desert environment is ideal for a new Hass avocado industry, and 60 million pounds of avocados are expected to be shipped to the United States in 2012.

Peruvian growers servicing the U.S. market are members of the internationally recognized GlobalGAP standard for food production. Explains Donovan, “The rise of Peru as an important source is because of the distinct freight advantage for the eastern United States. From May to

September, the main supplier for avocados is California, which coincides with the Peruvian season. Peru can compete because it’s more cost-effective to ship from Lima to the East Coast than it is to truck from California.”

“Peru has large fruit at the beginning of its harvest, which helps the West Coast have larger sized fruit available at the beginning of the season,” states Ed Figueroa, sales and avocado category manager at LGS Specialty Sales Ltd., an importer in the Bronx, NY. “In 2011, California’s crop was in smaller sizes, in general, and Mexico was in a down year, while California had a smaller harvest — less volume — as did Mexico. Peruvian avocados were allowed into the United States for most of the season and their availability helped meet demand and stabilize prices. With Peru as a new source, retailers can plan on fruit for next summer. The more diversified the suppliers, the more stable the price, putting retailers in a position where they can plan and promote.” **pb**

“We have found Mexico good to work with. Mexico has large and consistent crops. The industry is very organized. The time between harvest and arrival in large U.S. population markets is short. Food safety is very good. Our packing operation in Mexico is top-notch.”

Bohmer adds, “They are available year-round. The quality of Mexican avocados is excellent, as is Mexico’s level of food safety. Mexican packers have very sophisticated practices when it comes to monitoring food safety and are able to track boxes to the exact orchard.”

### Chile’s Complementary Seasons

Consumers have become accustomed to being able to purchase their favorite fruits and vegetables virtually throughout the year. Both retailers and customers are familiar with Chile as the source for table grapes, stone fruits, apples and other produce during the North American winter. “American importers began bringing in Hass avocados from Chile before Mexico — over 30 years ago,” says Maggie Bezar, marketing director for the Washington, D.C.-based Chilean Avocado Importers Association (CAIA). She adds, “Chile is known for beautiful, consistently high quality avocados. Last year, Chile exported 175 million pounds while this




### Consulting to Retailers and Suppliers

- 38-year veteran of the produce industry
- Knowledge from “field to fork”
- Conventional and Organic Arenas
- Retail, Category Development, Sales Strategy, and all things Produce

**Harris**  
Consulting Solutions


Contact Don Harris at:  
Phone: 269-903-7481

E-mail: [Don@HarrisProduceVision.com](mailto:Don@HarrisProduceVision.com)




## “FRUIT POP” POUCHES

*Slices of Fresh Cut Fruit - Over 10 Days Shelf Life!*



Ideal for School Lunches - Kids love'em • Great For Convenient Stores  
Tamper Evident - Easy to Open • Fun to Eat • No Dripping

**Absorbent Packaging That Delivers Freshness and Extended Shelf Life!**



**MAXWELL CHASE**  
TECHNOLOGIES, LLC

125 Westlake Parkway • Suite 100 • Atlanta • Georgia • 30336  
Phone: 866-344-0796 • [www.maxwellchase.com](http://www.maxwellchase.com)

# “The rise of Peru as an important source is because of the distinct freight advantage for the eastern United States... Peru can compete because it’s more cost-effective to ship from Lima to the East Coast than it is to truck from California.”

— Jim Donovan, Mission Produce

season, due to dry conditions, we are anticipating a crop of 135 million pounds with a higher percentage in larger sizes.”

Bezart continues, “The Chilean avocado season runs about September through March, with promotable supplies available in October, right about when California avocados are winding down.” In terms of food safety, Bezart states, “Chile has one of the highest safety standards and ratings and is GlobalGap certified.”

## Promoting Imported Avocados

Avocados are a huge growth opportunity for produce departments as well as related grocery items such as chips, salsa and salad ingredients. Promoting domestic and imported avocados keeps up demand and helps grow this highly profitable category. “California avocados are available and at their best four to five months

out of the year. If we don’t stock Chilean and Mexican avocados, we won’t have them at all during California’s off- season,” says Ali Moezzi, vice president of produce at the 40-unit Northgate Market chain headquartered in Anaheim, CA. “A large part of the year we rely on imported avocados. Fruit from Mexico and Chile has been very good quality and last year — in July and August — we had some very good avocados from Peru. Year-to-date sales of avocados from all countries are up 50 percent, and much of that is due to the very aggressive activities of the commissions.”

At Northgate Markets, which boast a heavily Latino clientele, the main method for promoting avocados is to display them ripe and ready-to-eat. Moezzi adds that the California, Mexican and Chilean Hass Avocado commissions will frequently take billboards

promoting their avocados in season near their stores and feature, “Available at Northgate Markets” prominently on them.

As far as consumers favoring imported vs. California-grown avocados, Randy Bohaty, produce director at Lincoln, NE-based chain, B&R Stores Inc., believes, “There is no difference in the quality of imported avocados. Growing practices in their countries of origin are all good. They have to be, because their business relies on it.”

Calavos’ Wedin agrees, noting, “Consumers are looking for flavor and good ripening character. We do a lot of the ripening to assure our customers, and their consumers, good, ready-to-eat displays. Generally, avocados from Mexico tend to ship to eastern markets, while avocados from California are sold most heavily in the West,” he explains. “This is partly due to the cost of freight and association advertising budgets and strategies.”

Bohaty adds, “The average customer is not concerned with country-of-origin as long as the avocados are ripe and of good quality. At B&R, we promote heavily during Super Bowl. The Mexican and Chilean commissions offer a number of point-of-sale displays and incentives around that time.”

pb

**United Fresh**

## Washington Public Policy Conference

**October 1-3, 2012**

**2 days**  
of congressional meetings

### Market Segment Topics Focusing on Your Top Issues

- Grower-Shipper Session**  
Managing Your Workforce in a Harsh Labor Environment
- Wholesaler-Distributor Session**  
Opportunities to Drive Produce Sales Through School Lunch Programs
- Fresh-Cut Processor Session**  
The Outlook for Pathogen Testing by Government Agencies
- Retail-Foodservice Session**  
Retail & Foodservice Operators as Targets of Social Media Activism

**REGISTER NOW**  
**UNITEDFRESH.ORG**  
**202-303-3400**



# SPOTLIGHT ON MEXICAN IMPORTS

PART I



## NOGALES: Yesterday, Today And Tomorrow

Armed with world-class agronomists and demanding food safety standards, Mexico's produce community on both sides of the border proves it is here to stay, providing valuable assets for both growers and distributors in the U.S. ag industry with safe, high quality crops.

BY BOB JOHNSON



**A**s produce imports from Mexico have steadily grown to occupy a major place in the food distribution system, Nogales, AZ, has steadily come of age as one of the most important points of entry for fresh fruits and vegetables from below the border. Importers based in Nogales have developed large, modern facilities to keep produce fresh and safe, and have also developed networks of Mexican growers to steadily increase the number of crops they can offer and the length of the season.

The completion of the new port at Nogales, scheduled for 2014, will be a once-in-a-generation landmark in the development of Mexican produce shipments to the United States. The new port will make it far easier for commercial produce trucks to enter the country, and should also eliminate logjams at the inspection docks. As of now, the port has also been expanded from two commercial truck lanes to eight, and when it is completed in 2014, a portion of the port will be temperature-controlled. There is talk, on the U.S. side of the border, of building a dedicated truck road that would allow commercial vehicles travel directly from the port to Highway 19 toward Tucson, AZ, and points north. And on the other side of the border, there is talk of a super highway to complement a network of bridges that is speeding the trip from farms in Mexico to forks in the United States.

"In the past few years, we have torn down the old port and put up a new one," says Lance Jungmeyer, president of the

**EDITOR'S NOTE:** Please look for Part II of this series in our October issue.

Fresh Produce Association of the Americas (FPAA), in Nogales, AZ. "As of two months ago, they increased the commercial truck lanes from four to eight. Now it's working as a temporary dock, but it's much nicer than the old one. When the new port is done in 2014, a portion of it will be temperature-controlled. That's huge for people with temperature-sensitive crops like grapes."

As Mexican fruit and vegetable shipments into the United States have grown to well over \$5 billion annually, the FPAA has grown to more than 100 North American companies involved in growing, harvesting, marketing, importing and distributing Mexican produce in the United States and Canada. "FPAA members account for half or more of the fresh fruits and vegetables that are imported into the United States from Mexico," reveals Jungmeyer.

"The FPAA is largely American distributors of Mexican produce," says Jaime Chamberlain, president of Nogales, AZ-based J-C Distributing Inc., and past chairman of the FPAA. "We're very proud of the advances Mexican farmers have made, and proud to help feed American consumers."

### Overall Improvements In Nogales

People in the Nogales produce industry have already experienced dramatic improvements in public facilities even before the new port is complete. "In the past 10 years, the changes have been incredible," says Sabrina Hallman, president and CEO of Sierra Seed Co. LLLP, in Nogales, AZ. "Previously, we only had two commercial truck lanes and the trucks backed up into Mexico for miles. The port closed at 10:00 PM, and if you weren't in

line by 7:00, you couldn't make it in." Sierra Seed Co. is a 23-year-old firm specializing in providing quality seeds and technical advice to northwest Mexico export growers.

While commerce has led to improved facilities for bringing produce across the border, politics in the post-9/11 age has led to reinforced barriers. Nogales is a city that sprawls across the border, with more than 20,000 residents in the United States and more than 200,000 in Mexico, and as they went about their business, residents frequently paid little notice to which country they were in. The politics of the last decade, however, have eroded some of that comfort. "Border security slows down progress in terms of getting through; getting back and forth across the border has become a process," laments Hallman. "Before, you didn't pay any attention to whether you were in the United States or





# J-C DISTRIBUTING INC.

## *Fresh Fruits and Vegetables*

Since 1971 the **CHAMBERLAIN FAMILY** has been committed to providing **CONSISTENT QUALITY** produce to markets across the U.S and Canada. We are proud to represent **MEXICO'S** finest farmers who are the backbone of our company.



## RELIABLE & CONSISTENT

### SPECIALIZING IN:

VINE-RIPE TOMATOES, ROMAS, GRAPE TOMATOES, CHERRY TOMATOES, GREEN AND RED BELLS, CUCUMBERS, BEANS, ITALIAN, YELLOW AND GREY SQUASH, WATERMELON



We distribute a full line of vegetables and tomato products from our 90,000 sq. ft facility in Nogales, Arizona. We also offer In & Out Services during the Mexican grape season.

Our sales associates are also committed to helping YOU with all your produce needs.

Call our Sales Staff: Jaime Chamberlain, Andres Gonzalez, Rene Calixtro, or Juan Medina

PHONE: 520-281-1234 • FAX: 520-281-0805

E-MAIL: [sales@j-c-distributing.com](mailto:sales@j-c-distributing.com)



**MAS**  
Melons & Grapes

**Fine Fruits from Mexico to the World**  
Growers and Exporters of Mexican Melons and Grapes

Contact us:  
**Miky Suarez • Toyoo Murakami**  
**Ruben Carranza • Artie Moreno**  
**Miguel Lopez • Mikee Suarez**  
**Kei Funakubo**

**520-377-2372**  
 miky@masmelons.com  
 bestmelon4you@hotmail.com  
 ruben@masmelons.com  
 artie@masmelons.com  
 miguel@masmelons.com  
 mikee@masmelons.com  
 keinalin@yahoo.co.jp  
 www.mas-fourstar.com




**RIGHETTI FARMS, LLC**  
Your Primus Platinum Supplier



**Shipping top quality produce, competitively priced, so our customers can be the best.**

**www.RighettiFarms.com**  
**520.377.9765**  
 Your Nogales Primus Platinum supplier

**“FPAA DOES A GREAT JOB WORKING WITH BOTH the Mexican and American governments to make the border crossing as efficient and timely as possible. That is the best way the FPAA can service our industry to keep the product fresh and assure the best quality during the crossing process.”**

— Greg Cardamone, L & M Companies Inc.

Mexico when you went out to shop or eat. But since 9/11, the border has become more visible. We have built walls and border stations, and most of us work on both sides of the border. We need to be recognized in our own state for what we provide the economy.”

The FPAA has played a major role in getting both the U.S. and Mexican governments to focus first on the procedures and investments needed to ship fruits and vegetables from Mexico quickly enough to be fresh when they reach U.S. produce departments. “FPAA does a great job working with both the Mexican and American governments to make the border crossing as efficient and timely as possible,” commends Greg Cardamone, general manager for vegetables at Raleigh, NC-based L & M Companies Inc., which sources a range of fruits and vegetables from farms in many U.S. states, as well as Mexico. “That is the best way the FPAA can service our industry to keep the product fresh and assure the best quality during the crossing process. The FPAA has been instrumental in lobbying for and procuring more personnel on both sides of the border to process our trucks in a timely way, and in petitioning both governments to allocate funds necessary to improve the facilities and infrastructure to ensure the product crosses timely. The Nogales crossing is the largest and most modern terminal between Mexico and the United States, and improvements are still ongoing,” he adds.

“For example,” says Cardamone, “the FPAA lobbied to allow increased weights from Mexico to be received into the United States within a certain radius of the border. In the past, the overweight product crossed later in the day, and in certain cases, the cold chain was broken. The FPAA recognized this detracted from the shelf-life and freshness to the industry and lobbied to make the neces-

sary changes. This had a much-needed effect and continues to provide much fresher product to the industry.”

Ricardo Crisantes, vice president of sales and marketing at Wholesum Harvest, based in Nogales, AZ, acknowledges, “An investment of \$250 million has been made to make the port more secure, and to increase its capacity. It has gotten easier when it comes to logistics. It’s open seven days a week during the peak season, instead of having a crowd on Monday. We also see more volume in the summer and fall, which there wasn’t before.”

Crisantes sees the completion of the new port as the sort of public achievement that comes along, at best, once in a generation. “We’re going to see a big improvement when the port is finished,” he says. “That will be the most important development in Nogales in the past 50 years. The previous port was built in the 1960s.”

The next step in smoothing the road for delivering produce fresh from Mexico could be a short new road allowing commercial trucks to travel directly from the port in Nogales to Highway 19 toward Tucson. The new road would only be a few miles long, but it would let trucks bypass a series of stoplights that cause time-consuming logjams. “I estimate it would save each truck about 15 minutes,” says the FPAA’s Jungmeyer. “If that’s not built, if the trucks could go over the road instead of stopping at traffic lights, that would help avoid log jams,” Jungmeyer says.

Another improvement on the Nogales wish list would be the addition of railroad freight service to handle some of the load of moving produce. “If some of the less sensitive crops, like watermelons, could be on railroads, it would ease the burden on the trucking industry,” Jungmeyer adds.

There have also already been major infrastructure improvements on the Mexican side of the border as well, and



## “THE PRODUCE GROWERS AND DISTRIBUTORS IN NOGALES have state-of-the-art facilities. They have computer controls for processing, growing, planting and fertilizing. The growers in Nogales were ahead of the game with the Food Safety Modernization Act; we saw it coming.”

— Sabrina Hallman, Sierra Seed Co. LLLP

more could be on the way. “There is discussion of building a super highway on the Mexican side of the border,” says Sierras Seeds’ Hallman.

Earlier this year, Mexico completed the Baluarte Bridge — at 1,321 feet, it’s the tallest in the world — over a ravine in the Sierra Madre as part of the new Mazatlan-Durango Highway. When that highway is complete, there will be eight additional bridges and 60 tunnels, combining to reduce the trip from Mazatlan to Durango by six hours.

### All Around State-Of-The-Art

Many of the growers and shippers based in Nogales have invested in improvements in their own facilities that are equally as striking as the improved public infrastructure on both sides of the border. “The produce growers and distributors in Nogales have state-of-the-art facilities,” notes Hallman. “They have computer controls for processing, growing, planting and fertilizing. The growers in Nogales were ahead of the game with the Food Safety Modernization Act; we saw it coming.”

Food safety is a cornerstone of private investment in Nogales produce facilities. “The best thing we can do is make sure our own facilities are up to speed,” asserts Hector Aguirre, general manager of C & R Fresh LLC, Nogales, AZ. “We have a 36-door, 80,000 sq.-ft. facility. We also stay up to speed on all our certifications.”

“To improve the quality of our product shipped to our customers, we consider food safety and shipping superior product as our main focus,” says Mike Righetti, president of Righetti Farms LLC, a Primus Platinum supplier based in Rio Rico, AZ. “We focus on keeping the product moving. We keep a close eye on the transportation piece of the puzzle, making sure the trucks get loaded on time. Additionally, we select product specific to each order. We do not sell off of inventory,” he says.

Wholesum Harvest is one of many Nogales firms to invest in energy efficiency and alternative sources of energy. “We’ve installed a solar system in our facility, and I know of at least three other facilities that have done the same,” reports Crisantes “There are opportunities for more solar energy in the

# “Your reputation is in my hands & I don’t take that lightly.”

At L&M, our produce speaks for itself. When it comes to top quality vegetables, L&M is committed from the ground up. From the first seed planted, throughout the entire supply chain, you can count on us to deliver the expertise you require. | [lmcompanies.com](http://lmcompanies.com)





## AN ALLY FOR YOUR NEEDS - GROWER ALLIANCE

### A GROWING BUSINESS

- Grower Alliance began to ship product in September of 2007
- 1.3 million packages in their second season
- 1.8 million packages in their third season
- Shipped 2.1 million packages this past year - close to 3 million this coming season

### DEDICATED FOOD SAFETY

- Committed staff to ensure food safety is a priority in all areas
- GAP and GMP focused and all growers have been certified for pesticide residue
- Grower Alliance Ensures Produce Traceability - PTI

Today, ships out of Nogales, AZ, McAllen, TX and Yuma, AZ.

### KEY PEOPLE TO KNOW

Following are the key people involved with Grower Alliance who can be an asset to your business:



**Jorge Quintero, Jr.**  
Sales, Managing Member  
(daily sales, contract planning and advertising)



**Jorge Quintero, Sr.**  
Sales Manager, Managing Member  
(marketing director, daily sales)



**Luis Caballero**  
Mexican Operations, Managing Member  
(contracting growers, planning production schedule, grower relations)



**Jaime Martinez**  
Head accountant & grower relations



**Frank Hernandez II**  
Sales



**Maritza Guevara**  
Accounts Payable/Accounts Receivable



**Armando Robles**  
Warehouse Foreman



**Jose Villareal**  
Dispatcher

**Grower Alliance, LLC**

Tel: 520-761-1921 • Fax: 520-377-9189 • [www.groweralliance.com](http://www.groweralliance.com)



desert. In our facility, we have energy-efficient lighting, which uses less energy and produces less heat," Crisantes says.

The firm has also put in modern systems to remove pathogens from the air. "A few years back we installed a filter that uses a special type of wave length to destroy fungi, viruses and bacteria in the air," Crisantes says.

The FPAA has developed a Best Practices document aimed at helping members keep produce fresh and safe. "In order to improve produce quality, the FPAA introduced a voluntary guidance document called *Guidance for Members: Handling and Transportation of Fresh Fruits and Vegetables*, which explains the proper practices for food safety, food defense, handling, refrigeration and truck conditions," describes Jungmeyer. "It is designed to minimize any degradation in quality so that when buyers purchase produce from a member of FPAA, they know their produce has been handled correctly from farm to final delivery."

The guidance document includes sections on food safety, food defense, handling and shipping with an emphasis on what companies should look for in trucks, packaging and pallets, the required state and federal licenses, traceability, and cold chain management. The document is in English and Spanish. "We try not to be too prescriptive. We have guidelines, but companies may have to adjust depending on their operation," he adds.

Freshness and food safety begin with having the facilities and practices to keep the product at the right temperature, beginning right at the farm. "The immediate integration of a cold chain, beginning at the





THE NEW YORK  
PRODUCE SHOW  
AND CONFERENCE

**SAVE  
THE DATE**  
DECEMBER 4-6, 2012



FOR MORE INFORMATION:  
PH: 212-426-2218 • [www.nyproduceshow.com](http://www.nyproduceshow.com)



CELEBRATING  
**FRESH**





# MIGHTY TASTY



sweet hot cool juicy

TASTE LIKE THIS DOESN'T HAPPEN BY ACCIDENT.

*Wilson Produce puts flavor and quality first. Why? When something is part of your family for three generations, there are certain things you will not compromise.*

**FEATURING SWEET MINI PEPPERS AND THESE OTHER QUALITY PRODUCTS:**

- |                |                                |
|----------------|--------------------------------|
| Eggplant       | Grape Tomatoes                 |
| Mini Eggplant  | Colored Bells                  |
| Cucumbers      | Jalepeño Peppers               |
| Mini Cucumbers | Squash (Italian, Yellow, Grey) |
| Euro Cucumbers | Mixed Melons                   |



Follow our Mighty Story



[wilsonproduce.com](http://wilsonproduce.com)

Wilson Produce | P.O. Box 850 | Nogales, Arizona 85628  
(520) 375-5755 | [info@wilsonproduce.com](mailto:info@wilsonproduce.com)



farm, is very important," maintains Jose Luis Obregon, president of IPR Fresh, headquartered in Rio Rico, AZ. "We have a brand new office right at the warehouse that will help us with freshness."

Efforts to maintain freshness, safety and quality are boosted by the recent advances made by Mexican farmers. Miguel Suarez, owner of MAS Melons & Grapes, headquartered in Rio Rico, AZ, shares, "We have a facility in town that keeps the fruit at the temperature we need, and that's important, too. The trucks also keep it cool. All the growers we bring fruit in from Mexico have pre-cooling facilities. That's where it starts. You have to pre-cool it at the right time."

### Quicker Is Better

The \$64,000 question for shippers moving fruits and vegetables from Mexico to major U.S. markets is how long it will take to move the produce from farm to fork? The easiest way to keep the produce fresh is to source it as close to the border as possible. "Seventy percent of our produce arrives from within a 200-mile radius. It takes two to six days to travel from the field in Mexico to the U.S. market," Suarez says.

Other shippers also source produce from farms fairly close to Nogales. TJ Bauer, vice president and sales manager at Al Harrison Co. Distributors, in Nogales, AZ, shares, "In the spring and fall, it's three hours from the packing shed to our consolidation center. Phoenix is three hours away from here, and Los Angeles is only 10 hours. Boston is four or five days away in the spring and fall. In the winter, when we get melons from farther away, it could be eight days to Boston."

Certain fruit hold up better during trans-



# Nogales Impresses Retailers

As retailers have come to rely more on produce out of Mexico, many of them have noticed steady improvement in the quality and freshness of the product, and in the facilities in Nogales. “I visited Nogales personally, and it has come a long way,” says Paul Diesek, produce director for Scolari’s Food & Drug, a 19-unit chain in Sparks, NV. “They do a great job getting the produce here fresh. The big guys have good systems in place. We get produce out of Nogales, but not directly,” he continues.

“I use Norcal Produce in West Sacramento to source it. Everyone in the industry gets produce out of Nogales at certain times of the year, in the winter, in December, January and February. We get very little out of Nogales outside of the winter. I would say we get some early season melons, around May.”

Even produce retailers based in California’s great Central Valley find it advantageous to

source produce through Nogales for a significant portion of the year. “We source product out of Nogales for six months, from October through March,” says Greg Calistro, executive director of produce and floral at Save Mart Supermarkets, based in Modesto, CA. “The quality specs per item are the same as we expect from our own backyard in California and we get great quality from Mexico. We are

**“They’ve come a long way. They’ve responded to the pressure from the consumers to get it right.”**

— Paul Diesek, Scolari’s Food & Drug

only a day’s ride to warehouse facilities, so we have never had a quality issue. The product can be from farm to fork in 48 hours.”

The continuing development of a global produce market has given growers and shippers in many regions cause to meet higher standards. “They’ve come a long way. They’ve responded to the pressure from the consumers to get it right,” Diesek says. “Mexico — like Chile, Australia and other countries — seems to improve every year in terms of quality. **pb**

portation. For example, in the case of watermelons, the sugar level at harvest has a significant affect on how well the fruit holds up over the long haul. “If you keep the cold chain intact, and harvest at a little bit higher sugar, you can transport watermelon farther and still maintain the pressure,” Bauer says.

The logistics of getting fresh produce to U.S. markets become more complex as shippers source produce from wider areas within Mexico. J-C Distributing, for example, sources produce from four

distinct regions within Mexico: Hermosillo, Culiacan/Sinaloa, Jalisco/Guadalajara and La Paz. But Mexican produce production extends across an even wider range of localities, which affects the harvest dates, distance from U.S. markets, and the varieties available. “At least one state in Mexico exports something to the U.S. every day of the year,” says Chamberlain of J-C Distributing. “Cucumbers from the southern tip of Chiapas by boat to Louisiana might take three or four days, and then it might take another day to arrive at its

destination. We have other production that is just three hours from the border. We can have it in the Safeway or Kroger distribution center in Phoenix the next day.”

## More Crops, Over A Longer Season

Logistics become more important and complex as many Nogales-based distributors look to offer more products, over a longer season, by sourcing from a wider range of areas within Mexico.

“As far as Nogales is concerned, we’re trying to concentrate on offering all our products the whole season, from late September to mid-June,” says Jorge Quintero, managing member of Grower Alliance LLC, Rio Rico, AZ. “As the summer comes, we’re starting a tomato deal out of McAllen this season. From now into September, we’re getting tomatoes from a grower in Michoacan. We’re also working on getting a cucumber deal year-round, but we’re not there yet.”

At Nogales, AZ-based Omega Produce Inc., president George Gotsis, states, “Our season is October through June. We have about six items — squash, cucumbers, mini cukes, red bells, colored bells, green bells and Roma tomatoes — and many of the items are bagged.”

One strategy adopted by some Nogales shippers to extend their season is by building a larger network of distributors within Mexico. Aguirre of C&R Fresh notes, “We’re buying from all the distributors.”

Many shippers report they are working to extend the seasons of their main items. “We have Honeydews 10 months out of the year, but grapes for only 10 weeks, so we’re trying to extend that,” says Suarez of MAS Melons & Grapes.

A significant number of shippers is also looking to expand availability of key prod-



Many U.S. companies use protected agriculture as a main source of growing in Mexico.



ucts beyond the Nogales season. “We’ve just started our foray into Baja with cucumbers,” reports Rod Sbragia, director of sales and marketing at Tricar Sales Inc., in Rio Rico, AZ. “It’s going to facilitate a year-round program. We are also looking at eggplant in Baja in a small way. We’re sitting down with our customers and seeing what items they want, and if there is a way

for us to get those items for them.”

As they source produce from more regions within Mexico, some Nogales-based shippers are looking to use multiple ports to shorten the time from farm to fork. Sbragia reveals, “We are taking a certain percentage of our produce to McAllen. The bridge over the gorge in the Sierra Madre should be open soon, and that is

going to save us a lot of time. The shipping costs from McAllen to the Midwest and East are much lower. We’re looking to increase sales and pick up some more chains next year.”

Other Nogales-based shippers also are finding it pays to use multiple ports of entry as they serve more U.S. markets, and source produce from more areas in Mexico. “People are using alternate ports depending on the season,” points out Bauer of Al Harrison Co. “Product can travel through Nogales, McAllen, San Diego, or even by boat to Miami. We are shipping through San Diego, Nogales and McAllen, and have new shipping routes opening up to Florida or Massachusetts, all in an effort to get product to market quicker.”

Other shippers are exploring the possibility of offering their U.S. customers value-added produce items from Mexico. IPR Fresh’s Obregon says the company is “working on securing a green bell pepper source, in addition to our colored peppers, and exploring value-added packs. We’re going to see if our customers are interested. Specifically, we are thinking about bags of

**From Seed to Shelf,  
We've Got You Covered.**  
Everything for Greenhouse, Field and Packaging

**AGRI PACKING**

2420 N. Frank Reed Rd., Nogales, Arizona 85621 Phone (520) 761-3816 Fax (520) 761-3812  
Email: info@agripacking.net WEB: www.agripacking.net

Sales  
Omar Cabrera • Gerardo Suarez • Monica Bautista • Jorge G. Ruiz  
Sales Coordinator  
Raul Valdez

**AGRI PACKING**  
Produce Packaging

**C&R**

**FRESH**

**81,000 Sq Ft Facility**  
**7 Individually Temperature  
Controlled Cold Rooms**  
**ONE-STOP SERVICE**  
**Pick-Up, Consolidation  
& Inspection**

**CERTIFIED: primus GFS**

30 Old Tucson Rd Nogales, AZ  
T (520) 281.4955 F (520) 281.4965  
Rick@CRFresh.com, Hector@CRFresh.com



bell peppers in different sizes, counts and colors. They've been successful in Mexico. In addition to our consolidation service, we now also offer a full line of colored bell peppers direct from the grower."



Protected agriculture has become so widespread in Mexico that some major U.S. companies have come to expect it. "If you've got contracts with foodservice companies, being in protected agriculture gives them greater confidence you can deliver the orders," J-C Distributing's Chamberlain says. "The majority of our production, especially tomatoes and cucumbers, is under protection. We also grow some peppers under protection. It gives you protection from sun-scalding, the wind and viruses. Squash and beans, however, are traditionally field grown, so we grow them there."

While the development of new varieties is far reaching, U.S. consumers can look forward, in particular, to the continued introduction of new tomato varieties out of Mexico. "The biggest seed companies in the world all have operations throughout Mexico; they vary from small distribution

offices to large greenhouse breeding programs," Chamberlain says. "We see the most increases in varieties of tomatoes. Tomatoes have the most expansion in terms of varieties. We're constantly looking at different varieties."

FPAA's website includes a number of tools that make it easier to see which firms offer which varieties, and when. One search tool on the site lets the user select from a list of dozens of commodities and see which companies supply them. A parallel tool lets the user choose from among dozens of member firms to see what they offer. And a crop availability chart lets you see where in Mexico different varieties are harvested by month. The availability chart is changing by the year, if not by the month.

"FPAA members and their growers continue to innovate with new growing methods and improved seed varieties," Jungmeyer says. "For instance, we have seen the window for tomatoes expand. It used to be a January through May deal and now you can get tomatoes from Nogales almost year-round, with the bulk of product coming from late September through early July." **pb**

**Sierra Seed Company, LLLP**

We search the globe to provide the finest of seeds bred for the specific growing regions found in your area.

Our professional and experienced team prides itself on providing uninterrupted service and knowledge from the seed to the grower to the marketplace. We walk the fields for you.

Sabrina Hallman  
**Sierra Seed Company, LLLP**  
 PO Box 7120, Nogales, AZ  
 Ph: (520) 281-9420 • Fax: (520) 281-9655  
 clientes@sierraseedco.com  
 www.sierraseedco.com



**Omega Produce Company, Inc.**

"Omega", "Fontana",  
 "Roberts", "S-Reyes",  
 "Tri-Nations",  
 "Elena" & "Makio"

**520-281-0410**

George Gotsis, Nick Gotsis,  
 Mickey Bachelier  
 & Toru Fujiwara

Bell Peppers, Color Bells,  
 Cukes, Kabocha, Persian,  
 Pickles, Roma Tomatoes,  
 Tomatillos & Watermelons

891 E. Frontage Road  
 Rio Rico, AZ 85648



**Premium Quality Peppers 365 Days A Year.**



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

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

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



**THE PEPPER PEOPLE**  
 www.primetimeproduce.com

Coachella, California USA  
 Sales Phone **760.399.4166**

Nogales, Arizona USA  
 Sales Phone **520.281.4993**





**Mark Your Calendar to Attend the  
44th Nogales Produce Convention and Golf Tournament  
November 8 - 10, 2012 - Tubac Golf Resort and Spa**

**Thursday, November 8, 2012**

**Educational Sessions**

**Navigating the New Transportation Landscape**

Learn how the new hours of service rules may affect your shipments, as well as other emerging transportation trends. Presentation by **Jason Craig, Manager of Government Affairs & Gary York, General Manager - CH Robinson Worldwide.**

**The Nuevo Niche**

Hispanic-oriented retail chains are claiming a larger share of supermarket dollars, particularly in the West. Explore how to maximize your sales in this category with a presentation from **Alfonso Cano, Assistant Produce Director - Northgate Gonzalez.**

**How to be a Social Media Darling**

Facebook and even Twitter may play a role in your personal life, but how can you unleash the power of social media to market your brand or company? **Dan'l Mackey Almy, President and Owner of DMA Solutions,** has developed social media campaigns for a variety of clients, including: Cal Giant, Duda Farm Fresh Foods & Frontera Produce, just to name a few. Discover how you can capitalize on this trend.

**Opening Fiesta & Networking Event**

*The opening fiesta and networking event is set in the lovely outdoor Plaza of the Resort, and will feature delectable and creative food stations, hors d'oeuvres, signature beverages and to-die-for desserts. This is the perfect venue to reacquaint with old friends and make new ones!*

**Friday, November 9, 2012**

**Golf Registration & 1st Round of Golf**

All golfers report to Tubac Golf Resort.

Non-Golfers can enjoy networking opportunities with Nogales Distributors.

**Gala Event and "Pillars of the FPAA" Awards Ceremony**

*The gala event will feature a reception, elegant sit-down dinner, entertainment by both the well-know salsa band Descarga and a DJ, and honorees of this year's "Pillars of the FPAA" recognition award will be unveiled!*

**Saturday, November 10, 2012**

**2nd Round of Golf**

All golfers report to Kino Springs Golf Course.

Golfers enjoy a fabulous BBQ lunch and golf award ceremony after this round!

**Don't miss this great event. For the complete schedule and hotel information, visit [www.freshfrommexico.com](http://www.freshfrommexico.com) or call 520.287.2707.**





PHOTO AT RIGHT COURTESY OF KEYSTONE FRUIT MARKETING INC.



Thanks to Peru's counter-seasonal onions, U.S. consumers have a year-round sweet onion crop.

# Customers Fall For Sweet Onions From Peru

Peru's onions keep consumers happy and help fill a counter-seasonal gap for domestic sweet onions. **BY CAROL M. BAREUTHER, RD**

**Y**ear-round demand for sweet onions has led grower-shippers to look south to Peru to fill the traditional void left after domestic favorites like Vidalia and Walla Walla finish up. Mike Maguire, produce director at DeMoulas Market Basket, a 69-store chain based in Tewksbury, MA, explains, "Vidalias out of Georgia set the table for consumers' interest in sweet onions. Today, we source out of the United States and South American countries like Peru in order to always be able to offer customers a sweet onion. Sweet onions are a huge business today."

## Why Peru?

Peru is successful because it can grow a Granex (flat type) onion during a time frame that the United States is not producing, says Barry Rogers, president of the Sweet Onion Trading Corp., headquartered in Melbourne, FL. "It is contra-seasonal to Texas, Georgia and California."

The majority of the Peruvian sweets are grown in a 20- to 40-kilometer coastal desert

region inland from the Pacific Ocean and surrounding Ica, to the south of Lima.

Matthew Curry, president of Brooks, OR-based Curry & Co., explains, "The soils are loose and sandy, ideal for growing a sweet onion. It was discovered years ago that a Granex variety onion does very well in these conditions, just as Vidalias do in North America. In fact, many growers consider Peruvian sweets to be the closest you can get to a Vidalia sweet when comparing with imported onions."

To assure quality, Marty Kamer, sales manager for the northeast office of Keystone Fruit Marketing Inc., in Greencastle, PA, notes, "Management and technical advisers monitor all activities in all growing areas including site and soil selection, planting dates, all production and harvesting practices, grading, packing and exportation."

Peru's natural onion-growing attributes have more behind-the-scenes value in cultivating a high-quality sweet onion than marketing potential with customers. Randy Bohaty, produce director for B&R Stores, a



17-unit chain headquartered in Lincoln, NE, says, "We'll list Peru in ads and on signage, but I don't think customers look for a certain area. They just want a good sweet onion."

Every retailer does something a little different with regards to its imported onions. Curry points out, "There are retailers who have had strong Peruvian onion seasons for years and like to celebrate that fact and let people know they are now in season."

On the other hand, John Shuman, presi-

## FORECAST: EARLY, POTENTIALLY SHORT, DEFINITELY SWEET

The Peruvian onion season typically runs from September through December. “However, Georgia’s Vidalia crop finished up earlier this year, which means we started sourcing from Peru earlier,” points out Mike Maguire, produce director at DeMoulas Market Basket, a 69-store chain based in Tewksbury, MA.

Brian Kastick, the Charleston, WV-based president and general manager of OSO Sweet Onions, reveals, “Due to the short Vidalia crop, we exported some of the early sweet onion crop out of Peru that traditionally is consumed domestically. We started shipping to the United States July 20th, almost a full month earlier than usual.”

Industry opinions are mixed on crop volume. Peruvian growers had planned a reduction from last season due to economic and market conditions. “When it was apparent that Vidalia was going to come up short, many Peruvian growers rushed to try and expand plantings,” says Barry Rogers, president of the Sweet Onion Trading Corp., headquartered in Melbourne, FL. “In addition, there were early reports of inclement weather and high humidity, which might ultimately cause shortages.”

Matthew Curry, president of Brooks, OR-based Curry & Co., agrees and adds, “There hasn’t been adverse weather conditions, but it hasn’t been ideal either. It has been the type of growing year where you want to make sure you’re working with experienced growers who are onion experts. They know the proper steps to take when there isn’t outstanding

weather and are able to adapt to the situation at hand.”

“Overall,” Curry continues, “We feel volume is going to be tight and pricing pretty firm. There are a couple of reasons for this. The first is the shortage of Vidalia sweets, which is already helping push demand and creating some urgency. The second reason is the strong demand in the South American marketplaces for sweet onions. Other countries are looking at the South American sweet onions, creating additional demand as well.”

John Shuman, president and director of sales at Shuman Produce Inc., headquartered in Reidsville, GA, is more optimistic. “Volume this season will be very promotable, and we plan to increase the number of Peruvian sweet onions imported as a part of our year-round program this year. Based on our plantings, we plan to import 800 to 850 containers this season. This should yield approximately 1.1 million 40-lb. equivalent units of packed product available for shipping.”

Outlooks also vary on crop sizing. While some predict a good range of sizes, others believe sizing could be an issue. Delbert Bland, owner and president of Glennville, GA-based Bland Farms LLC, explains, “Normally, there are 90 percent jumbo and colossal and 10 percent medium. This year, due to weather, the crop isn’t sizing like it normally does, and we expect 75 percent jumbos and colossal and 25 percent mediums. It won’t really be a difference you can see on the shelf, but it does offer more bag opportunities.” **pb**

dent and director of sales at Shuman Produce Inc., in Reidsville, GA, comments, “As far as identifying the product as being from Peru, consumer research has shown that shoppers have little to no reaction in the case of country of origin.”

The chief competition for Peru is now domestic production of sweet and/or mild onions that are available during the same time frame. “Each season is different, so the volume of Peruvian sweets necessary each year will continue to vary with the strength, quality and volume of the domestic sweets,” explains Curry.

Yet, Curry adds, “One of the biggest obstacles currently facing the sweet onion category

is the labeling of domestic Grano variety cooking onions as sweet onions to capture a premium price at retail, especially during the fall and winter months. These varieties do not share the same sweet and mild flavor profile or the familiar flat, Granex shape consumers recognize from Peruvian sweet onions.”

### Bag A Sales Opportunity

“Sweet onions are so popular at DeMoulas Market Basket that we carry either a 3- or 5-lb. bag and bulk sweets year-round,” Maguire reveals.

“Carrying bulk sweet onions and a consumer pack seems to draw two different customers,” says Rogers. “Many retailers find

**“Vidalias out of Georgia set the table for consumers’ interest in sweet onions. Today, we source out of the United States and South American countries like Peru in order to always be able to offer customers a sweet onion. Sweet onions are a huge business today.”**

— Mike Maguire, DeMoulas Market Basket

it beneficial to carry both.”

Curry & Company’s Curry agrees and adds, “Just like domestic sweet onions, the trend continues to be strong bagged sales during the first and second weeks of the month. Over the past couple of years, our bagged sales have grown significantly with sweet onions for a couple of reasons. First, we had more sweet onions available to be bagged and second, customers realized what a great value they can get.”

Shuman Produce has created colorful consumer-friendly packaging for its bagged sweet onions that provides consumers with nutritional information, storage tips and a variety of seasonal recipes to enhance sales at the point of purchase. Shuman details, “A QR code accompanying this information on the rear of each bag leads to a new mobile-friendly website that includes exclusive video content and additional recipes to add even more value to our packaging.”

### Fall Merchandising Opportunities

Fall and winter are great times to create impulse sales by building large displays of Peruvian sweet onions. Paul Kneeland, vice president of produce and floral at King’s Super Markets, a 25-store chain based in Parsippany, NJ, says, “The fact that Peru supplies sweet onions in the fall is important to us because 80 percent of our onion sales are sweet, and our displays reflect this.”

In the fall, at DeMoulas Market Basket, Maguire displays sweet onions within the onion set and on their own. “They have enough velocity to stand by themselves,” he says.



# Your Onion Experts

# 52 weeks

# per year

Oregon, Washington  
Georgia, California,  
Texas, Mexico & Peru

2012 Peruvian Onion Crop

**Expert Growers**

*from the leading growing regions  
in North & South America*



**Delicious Onions**

*The best sweet, yellow, white  
& red onions available.*



**Marketing &  
Merchandising**

We pride ourselves on the quality and consistency of our 52-week per year onion programs. Our team of onion experts throughout North & South America help Curry & Company set the standard for what you expect in your onion program.

Our Peruvian onions are now available until December and we are harvesting our domestic sweets in the Pacific Northwest. Plus, new crop white, red, and yellow onions are being delivered daily to customers throughout North America. Let's start working together on your program now.

# Expect the Best



[www.curryandco.com](http://www.curryandco.com) | 800-929-1073 | Brooks, OR





Keystone's Kamer recommends, "Go big. Nothing says 'Buy Me' like big, prominent bulk and consumer bag displays. End-caps, stand-alones, value-added product offerings, multi-size strategies and consumer bagged displays offer consumers multiple buying options and ensure sales lift."

It's important for retailers to properly identify sweet onions. "If consumers are in a region like Vidalia, it's important for them

to know that just because Vidalias are finished, it doesn't mean there are no sweet onions," explains Curry. "You need to give constant reminders through the various marketing vehicles available in your stores. We offer POS cards featuring some quick facts about Peruvian onions that can be used to draw customers' eyes to the sweet onion display."

Fall cooking holidays, from Labor Day

grilling, to football tailgating and Thanksgiving and Christmas holiday dishes, make ideal occasions to cross-merchandise Peruvian sweet onions. "At DeMoulas Market Basket," Maguire says, "we'll cross-merchandise sweet onions with Portabella mushrooms and yams for grilling."

Similarly, at Kings, Kneeland cross-displays sweet onions with cooking vegetables such as green beans, broccoli and asparagus. "We'll also tie sweet onions, peppers and sausage together to take advantage of weekend football, and we'll bring sweet onions over to the meat department to display with roasts when the weather gets cool."

Curry & Company's Curry recommends offering "recipe suggestions that include a sweet onion for a new twist on old favorite holiday recipes."

### Price Promote & More

Sweet onions are price-promoted every month of the year at DeMoulas Market Basket, according to Maguire. "Thanksgiving, for example, is a big time that we promote and also feature sweet onions on end-caps."

Shuman Produce's Shuman says, "It's a good idea to increase display size or imple-



# The Variety Makes the RealSweet Difference



Mark Shuman,  
General Manager



John Shuman,  
President



## Consumers Prefer the Granex Variety

When it comes to providing premium sweet onions, the variety does matter. In fact, our research reveals that consumers recognize and prefer the Granex variety for its superior flavor and recognizable shape. That's why we deliver the highest quality varieties in our Peruvian Granex sweet onions in the Fall and Winter months. For more information, contact us for a copy of the research results to learn how variety makes a difference all year long.

Visit [RealSweet.com](http://RealSweet.com)



# NATIONAL ONION SHOWCASE

**“Due to the short Vidalia crop, we exported some of the early sweet onion crop out of Peru that traditionally is consumed domestically. We started shipping to the U.S. July 20th, almost a full month earlier than usual.”**

— Brian Kastick, OSO Sweet Onions

ment a secondary display to attract shoppers and cover volume needs during promotions and the upcoming holiday season. As tail-gating season begins in the early fall, this is the perfect time to start promoting Peruvian sweet onions, as they are a staple at cookouts.”

There are other ways beyond price to promote Peruvian sweet onions. “For example,” Keystone’s Kamer says, “We have many dynamic customer-specific promos planned for fall and winter.” One of these is an in-store demo with Keystone’s Chef Dave Munson, who will introduce new recipes that emphasize quality, flavor, nutrition and food safety differences of sweet onions over regular cooking onions.

October marks the third year Bland Farms will pack its Peruvian sweet onions in bags, bins and boxes featuring a pink logo for National Breast Cancer Awareness Month. Both packaging and POS materials will provide a list of foods shown to help prevent cancer, a recipe and information from the American Cancer Society. In turn, Bland Farms will donate funds to the Breast Cancer Research Fund.

Peruvian sweet onions also star in Produce for Kids’ annual fall promotion, says Shuman, who created this campaign that has so far donated more than \$3.7 million to children’s charities. “This effective cause-marketing campaign has enhanced our merchandising at the store level with elements like the Ideal Meal cards display. Ideal Meals offers chef-created and nutritionist-approved complete meal solutions for breakfast, lunch, dinner and snacks and many of these call for sweet onions.” **pb**

## Keystone

CERTIFIED SWEET ONIONS



LIFE SHOULD BE THIS SWEET



Keystone Fruit Marketing, Inc.  
717•597•2112

Email: sales@keystonefruit.com  
Headquarters: Greencastle, PA

Northwest Regional Office  
Walla Walla, WA  
509•526•9200

Progressive Produce  
Los Angeles, CA  
323•890•8100

Southwest Office  
San Antonio, TX  
717•593•4075

Southeast Office  
Vero Beach, FL  
772•316•0364



MAYAN SWEETS



Year Round Sweet Onions: Chile, Mexico, Texas, Vidalia, California, New Mexico and Peru

For higher gross sales, contact:  
Mark Brommster, National Sales Manager  
(748) 681-9020 / rbrommster@ososweetonions.com

www.ososweetonions.com

Independently tested.  
Flavor assured!



Specializing in Quality Sweet Onions  
from Around the World™

Call us for dependable quality,  
service & supply  
800-699-3727  
321-674-0120



www.SweetOnionTrading.com



SAVE THE DATE  
DECEMBER 4-6, 2012



THE NEW YORK  
PRODUCE SHOW  
AND CONFERENCE

FOR MORE INFORMATION:

PH: 212-426-2218  
www.nyproduceshow.com







# Asparagus Sales Sized Up Seven Ways

With a year-round supply and a growing consumption rate, asparagus can be a shining star in the produce department. **BY CAROL M. BAREUTHER, RD**

**A**sparagus was once a specialty available only a few short months of the year. Now, it's a year-round staple that continues to boast a premium place at the table. Jose Manzano, produce director at the three-store Dorothy Lane Markets, based in Dayton, OH, says, "Asparagus is a tradition for the Easter holiday, but consumers today are just as eager to buy it for Thanksgiving and Christmas."

A seamless 52-week supply of domestic and imported asparagus has helped to put a dent in consumer demand. It's also boosted U.S. per-capita consumption from 0.9 pounds in 2001 to 1.4 pounds in 2010, a 55 percent increase, according to USDA/ERS data published February 1, 2011.

In addition, global sourcing has enabled the asparagus category to contribute 1.1 percent of produce department dollar sales in the 52 weeks ending October 29, 2011, according to the Perishables Group, a West Dundee, IL-based market research firm. What's more, this category contribution is fairly consistent, averaging a high of 1.3 percent in the first and

second quarters of 2011 and low of 0.8 percent in the third quarter, meaning there's always a ripe time to merchandise asparagus.

## 1. Know Your Sources

"Asparagus can be a complicated commodity due to several variables that can affect supply, demand and ultimately pricing," says Jay Schneider, produce business development manager for Acme Supermarkets, a 125-store chain based in Malvern, PA. "The magic everyday price is \$2.99. That's where you'll get good, steady movement. But there are 10 to 15 weeks out of the year that you usually have to sell at a higher price."

Daniel Whittles, director of marketing and product development for Rosemont Farms, a Boca Raton, FL-based C.H. Robinson company, says, "Asparagus is available year-round from Peru and represents 48 percent of all fresh asparagus consumed in the United States. However, it is also available in shorter seasonal windows out of Mexico, California, Washington, Michigan and New Jersey. We source from all production areas."

"Multiple sources allow us to fill in various small gaps in production with supply from other regions," say Chris Henry, director of sales and marketing for Escondido, CA-based Giumarra Borquez LLC. "Production is increasing to satisfy the rise in consumption."

The United States imported more than 377 million pounds of fresh-market asparagus in 2010, according to the U.S. Department of Commerce's *U.S. Census Bureau's Foreign Trade Statistics*. Of this, Peru represented just over 192 million pounds, or 51 percent of imports, with peak volumes arriving from September through December.

Julia Inestroza, marketing and merchandising director for Gourmet Trading, based in Los Angeles, CA, "Peru is the leading import source for fresh market asparagus in the United States. U.S. retailers have recognized the advantages of stocking Peruvian asparagus on their shelves, which has resulted in maintaining asparagus sales year-round."

Peruvian asparagus arrives to the United States via both air and boat. Tim J. Hallows,





Experts suggest displaying asparagus upright in water to maintain freshness.

western region marketing manager for Oxnard, CA-based Mission Produce Inc., says, “Each grower and shipper does what’s best for its customers and operations. But December tends to be a period when there are more air containers in general.”

The advantage of air-freighted asparagus, according to Andy Garcia, account manager with Alpine Fresh Inc., based in Miami, FL, is shelf life. “This is especially important since mandatory fumigation of Peruvian asparagus can briefly raise the temperature of the product,” he explains. “Asparagus is susceptible to temperature changes.”

Asparagus production gears up mid-January out of Mexico. Garcia adds, “There are two separate times we bring in asparagus from Mexico. The first is January through Easter out of western Mexico, then June through August out of Central Mexico, south of McAllen.”

Steve DeGuire, sales manager at Holt, CA-based Victoria Island Farms, shares, “The California asparagus season is March through May.”

Cherie Watte Angulo, executive director of the El Centro-based California Asparagus Commission (CAC), acknowledges, “Imports have squeezed our window. As a result, asparagus acreage in the state has decreased over the past 10 to 15 years stabilizing over the past few years at 12,000 acres.”

California, Michigan and Washington are among the three top asparagus-producing states in the nation. According to Alan Schreiber, executive director of the Eltopia-based Washington Asparagus Commission,

**PERUVIAN ASPARAGUS - UNIQUE CHARACTERISTICS!**

- High in nutritional value
- Vibrant Displays & variety mix & match - green, white & purple
- Delicious flavor profiles
- Quality and quantity assured
- Versatile preparations
- Value added solutions available
- Excellent for grilling
- Cross merchandising availability
- High ring customers

Peruvian Asparagus



ALPINE FRESH AYCO FARMS CARB-AMERICAS CRYSTAL VALLEY FOODS CUSTOMIZED

PAIA THE PERISHABLE SPECIALIST PROGRESSIVE PRODUCE ROSEMONT FARMS a C.H. ROBINSON COMPANY SOUTHERN SPECIALTIES TEAM PRODUCE

**YOUR ASPARAGUS GROWER**  
Toll Free (800)292-8777  
PH (305)594-8117 FAX (305)594-8506

JOHN LYONE - 215080ALPINEFRESH.COM - (305) 94-1211  
WAG BERING - 815080ALPINEFRESH.COM - (760) 84-4444  
DREW FLEMING - 875080ALPINEFRESH.COM - (305) 94-2299  
WESLEY GARCIA - 445080ALPINEFRESH.COM - (305) 94-4011  
NABUO BARGIO - 854080ALPINEFRESH.COM - (305) 94-4444  
DARVO BILLS - 081150ALPINEFRESH.COM - (754) 444-8888  
DREW OTTENWILLER - 82080ALPINEFRESH.COM - (754) 444-8888

Loading locations:  
Miami, Philadelphia, Dallas, Tampa, Los Angeles

**Green & White Asparagus**  
52 Weeks a Year

Spin Peas, Snap, French Beans & Baby Vegetables  
2950 NW 74th Avenue • Miami, FL 33122

**800-359-5631**  
sales@crystalvalleyfoods.com

Please Contact: Jay, JayT, Veronica, Bobby, Helen or Rick

**Asparagus Green & White**  
954-788-6800  
www.aycofarms.com  
Pompano Beach, FL

OUR SALES TEAM IS READY TO SERVE YOU

IN THE WORLD OF RAPID CUSTOMS CLEARANCE, EVERYTHING'S COMING UP ASPARAGUS.

customized **Brokers**  
A CROWLEY Company

(305) 471-8989 | customizedbrokers.net

**YOUR OFFSHORE PRODUCE SOURCE**

<b>Headquarters</b> Jeff Hilda, Scott (974) 789-0000	<b>Los Angeles</b> Pat Ramirez (424) 477-5530
<b>New Jersey</b> Damon Pallas (732) 853-4223	<b>Export Division</b> John Brown (415) 992-7500

THE NEW YORK PRODUCE SHOW AND CONFERENCE

**GREEN, WHITE & PURPLE ASPARAGUS AND BERRIES**  
310.216.7575 gourmettrading.net

ALPINE FRESH AYCO FARMS CARB-AMERICAS CRYSTAL VALLEY FOODS CUSTOMIZED



Asparagus from Peru, a principal supplier, allows retailers to complement other seasonal sources and offer quality product year round. Retailers can count on consistent, quality Peruvian Asparagus to build sales and offer ample displays throughout the year. To assist retailers in managing the category, The Peruvian Asparagus Importers Association (PAIA) has developed a Category Management Plan Outline for Fresh Peruvian Asparagus, available from the association office – [prestige@1scom.net](mailto:prestige@1scom.net)

BROKERS GOURMET TRADING COMPANY HARVEST SENSATIONS JACOBS, MALCOM & BURTT KEYSTONE FRUIT MARKETING

PAIA THE PERISHABLE SPECIALIST PROGRESSIVE PRODUCE ROSEMONT FARMS a C.H. ROBINSON COMPANY SOUTHERN SPECIALTIES TEAM PRODUCE



Premium Fresh Asparagus Year-Round



Add excitement to your plate!

Miami 305-591-8173 Los Angeles 213-895-6968


[www.harvestsensations.com](http://www.harvestsensations.com)




Fresh, Year-Round

Dan, Shawn, Matthew, Judy, and Mike  
800.498.1577  
[asparagus@keystonefruit.com](mailto:asparagus@keystonefruit.com)





Fresh, Year-Round



PROGRESSIVE PRODUCE  
Gary, Cory & Don  
800.900.0757  
[asparagus@progressiveproduce.com](mailto:asparagus@progressiveproduce.com)



San Francisco, CA  
415-285-0400 • Fax 415-824-4844  
Leo Rolandelli, General Manager  
Chris Brazeel, Sales Manager • Brian Best, Sales

Lodi, CA  
209-367-0990 • Fax 209-367-4116  
Eric Steigers, Sales

Export Grade & Custom Packs Available



a C.H. Robinson Company

Let's Get Fresh

Top 5 Importer of Peruvian Asparagus  
Year Round • Bulk • Bunches • Value-Added

(561) 922-7201  
[walter.hoffmann@rosemontfarms.com](mailto:walter.hoffmann@rosemontfarms.com)  
[fabian.sojos@rosemontfarms.com](mailto:fabian.sojos@rosemontfarms.com)

**ASPARAGUS 365**

Peruvian Asparagus Imports:

- OVER 180 million pounds of fresh asparagus imported to the U.S. from Peru in 2011.
- Peru continues to be a strong leader in the supply of quality asparagus to the U.S. market.
- Peruvian seasons complement U.S. growing region, enabling retailers to sell asparagus 365 days per year.
- World Class Food Safety and Quality.

PAIA Tel: 817-793-3133

To become part of our dynamic association that is positively impacting the future of the fresh asparagus industry, please contact: [Priscilla.Lucas@1scom.net](mailto:Priscilla.Lucas@1scom.net)



Frank A. Ramos  
T 305.477.9906  
F 305.477.9975  
C 305.986.1969  
[frank@theperishablespecialist.com](mailto:frank@theperishablespecialist.com)

1831 N.W. 5th Street, Unit 131  
Doral, Florida 33178

CUSTOMS BROKER  
[theperishablespecialist.com](http://theperishablespecialist.com)



Premium Asparagus  
Green • White • Value-Added  
Year-Round Availability  
East & West Coast Distribution



Pompano Beach 954-784-6500  
Los Angeles 714-228-9099

[SouthernSpecialties.com](http://SouthernSpecialties.com)



IMPORTER OF FRESH PERUVIAN ASPARAGUS

COME VISIT US AT THE  
NY PRODUCE SHOW BOOTH 225

Tel: 305-592-5562 • Fax 305-513-9596  
P.O. BOX 227578, Miami FL, 33222-7578



BROKERS GOURMET TRADING COMPANY HARVEST SENSATIONS JACOBS, MALCOM & BURTT KEYSTONE FRUIT MARKETING





“Our season starts in April and continues through June. We ship nationwide.”

Other states with spring and summer deals include Wisconsin, Pennsylvania, New Jersey, New York and Ohio.

“Some retailers will source from Peru all year long,” says Mission’s Hallow. “Reasons include the desire for a branded program and perception that Peruvian asparagus is of better quality; the ability to get product by air in one day versus three to five days from the West

Coast; and not having to manage a complex multi-region buying program.” On the other hand, Hallow continues, “Other retailers prefer to switch regions as volumes peak in order to get fresh, competitively priced product. Mexico is closer than Peru and Mexican asparagus doesn’t need to be fumigated. California is closer still in terms of freight costs, especially on the West Coast, and it has the cache with customers of being local.”

## 2. Diameter Matters

“Stalk thickness depends on time of season and where the particular growing area is in the production cycle, which impacts the peak volume sizing,” explains Rosemont Farm’s Whittles. “Retailers that have the ability to flow with the peak production size could hit a pricing sweet spot compared to the rest of the marketplace, and thus provide the consumer with the best value for that time period.”

Stalk thickness is an oftentimes geographically determined preference, says Inestroza of Gourmet Trading. “Customers in Florida like

them very thin, whereas northern California wants thick asparagus. There is actually an advantage of giving customers two options. Even if this is done on a trial basis to determine sales preference, it can be helpful to increase asparagus sales. The store can then carry the size that sold the best.”

Giumarra’s Henry agrees, adding, “Thicker asparagus can stand up to cooking and work well as a strong side dish to meats. Thinner asparagus is great to eat raw and in salads or soups.”

Jumbo asparagus, or stalks with a diameter close to one inch, isn’t as popular as the standard size, says Acme’s Schneider. “We’ve tried to promote the jumbo with steaks for grilling like you see at steak houses, but it didn’t get much traction.”

“Customers think the thicker stalks will be tough and woody,” says Manzano, of the preferences at Dorothy Lane.

**“Customers in Florida like them very thin, whereas northern California wants thick asparagus. There is actually an advantage of giving customers two options. Even if this is done on a trial basis to determine sales preference, it can be helpful to increase asparagus sales.”**

— Julia Inestroza, *Gourmet Trading Co.*

Woodiness in jumbo asparagus is a common misconception. The CAC’s Wattle Angulo contends, “Thicker is tenderer because there is less of the fibrous skin per square inch. It is the pencil-sized stalks that tend to be crunchier.”

Customers are starting to catch on to this fact, and some retailers are experimenting with offering the jumbo variety. Victoria Island Farm’s DeGuire reveals, “On the West Coast, we’ve had Whole Foods and Raley’s experiment with the jumbo. Further east, Schnucks has too.”

Pencil-sized asparagus is often merchandised for use on crudité platters. Charlie Eagle, vice president of business development for Southern Specialties Inc., headquartered in Pompano Beach, FL, says, “There are certain times of the year that these thinner stalks can be bought and sold at a price advantage.”

## 3. Go For The Green, White And Purple

Green is the most popular variety of asparagus in the United States. However, there

are also white and purple versions. The white is the green variety grown under low light conditions to achieve its pale color, while the purple is a different variety altogether.

“White asparagus is available year-round,” says Eagle, “and we encourage retailers to carry it in addition to the green. It offers a certain elegance as well as great flavor. The important point is to teach customers how to prepare it. White asparagus requires peeling prior to cooking unlike the green. It’s also slightly more fibrous and must be cooked longer. We provide these cooking tips to consumers via hang tags and wrappers on bunched asparagus, as well as via instructional videos on our website.”

Acme Supermarkets is one retail chain that offers its customers white asparagus. Schneider admits, “Demand isn’t that big, but we’ll bring some in at Thanksgiving and Christmas. It adds a nice color contrast to the display and we’ll usually sell through one to two cases a

week per store on average.”

White asparagus is available from Peru and Mexico, but isn’t grown in states such as California and Washington. Washington, however, grows a small amount of the purple variety, while Peru and Mexico supply the greatest

volume of purple.

Eagle notes, “Our purple asparagus is a boutique deal that generally runs in April and May and again September through December.”

Fall is when all three colors of asparagus are available, and it’s a ripe time to promote all three. Alpine Marketing’s Garcia says, “You can usually sell the green for \$2.49 per pound and white and purple for \$2.99 per pound at this time of year.”

Promoting multiple colors of Peruvian asparagus may encourage consumers to try a new color, says Priscilla Lleras, PAIA coordinator. “Retailers can use alternative pricing methods, such as by the bunch instead of the pound, to emphasize the value of the product,” she suggests.

## 4. Just Put It In The Bag

There are a number of packaging solutions for asparagus from banded, wrapped, bagged and even microwaveable. One-pound band-wrapped bundles are the most common way asparagus is sold. “Yet,” says Gourmet Trading’s



# producebusiness

MARKETING • MERCHANDISING • MANAGEMENT • PROCUREMENT

## How To Make Things Grow

Whatever your role in the produce industry, the key to a blossoming bottom line is knowledge. About major trends and developments, and the people behind them.... About new sales opportunities around the world.... New packaging and transportation technology.... New ideas in marketing and promotion.... New retail strategies.... New equipment and services.... New techniques for managing individual businesses, and their personnel, more efficiently.

And your Number 1 source for all of the above is **PRODUCE BUSINESS**, the industry's only monthly business magazine serving all buying segments. And the most widely read of any publication in the field. If you're not receiving every important issue, call to start your subscription without delay. It's the only way to be sure you're getting all the knowledge you need. And growing the way you should.



Call Today to Reserve Your Subscription

**561-994-1118**

**Ext 109**

[www.producebusiness.com](http://www.producebusiness.com)



Inestroza, “we are seeing more of a push toward bagged asparagus. This can extend the shelf-life, in addition to offering more opportunities to share recipe suggestions.”

Consumers are looking for value in each of their purchases. “Therefore, there is a trend toward putting asparagus in packages to help manage shrink and keep the consumer from directly handling each bunch on the display,” explains Rosemont Farms Whittles. “In addition, providing cooking ease and convenience is a major movement, so we have seen some success with our microwaveable option.”

“In an effort to increase household penetration and reach new consumers,” adds Lleras, “a number of Peruvian asparagus importers are working closely with their suppliers to bring value-added options — including microwaveable and ready-to-eat — to market that are designed for both retail and foodservice.”

### 5. Handle With Care And Build Multi-Faceted Displays

Bundles of fresh asparagus are displayed on ice at Dorothy Lane Markets, while at Acme Supermarkets, the bundles are set on a stepped moist plastic rack. “In 75 percent of stores, we’ll use an auxiliary display to help the asparagus stand out,” reports Acme’s Schneider

“To maintain freshness, it’s best to display the asparagus upright, with the bottom ends against moisture,” details Inestroza. “This can either be with water, or a moisture pad. We also have a display-ready box that solves this problem. The store staff simply removes the top of the box and the asparagus is displayed upright, with a moisture pad.”

Giumarra’s Henry suggests, “Packaged asparagus should also be refrigerated and displayed with other packaged items in the produce department.”

Prior to display, the PAIA recommends asparagus to be stored at 34 to 36° F and moist in the backroom. Fresh asparagus is not ethylene-sensitive, but is susceptible to absorbing very strong odors. Once on display, PAIA suggests these techniques: offer a variety of colors (green, white and purple) to create vibrant, interesting and impactful displays; strategically display the category to ensure consumers see it, such as at the front of the produce department, on end-caps and in stand-alone displays; offer a variety of diameters and packaging options to increase sales and add profits to the produce department; and use signage that stresses the nutritional benefits of fresh asparagus as well as usage ideas.

Henry says, “We offer POS materials, recipe cards, sales sheets, grower information and display assistance for our retail customers.”

### 6. Creatively Cross-Merchandise

Today’s consumers don’t have the time they used to in order to create a sit down meal. “Therefore, meal solutions and recipe ideas, coupled with all the ingredients positioned in a centralized area, are a good formula for today’s busy consumers,” notes Rosemont Farm’s Whittles.

To this end, asparagus is colorfully cross-merchandised with fresh lemons at Acme Supermarkets as well as ingredients for hollandaise and béarnaise sauces.

Fresh asparagus has numerous cross-merchandising opportunities. The PAIA’s Lleras recommends, “During the summer, place a display next to barbeque-style meats and fish to promote picnic items. Tray-packed fresh asparagus can be cross-merchandised with packaged salad. Fresh and packaged asparagus can be cross-merchandised with other departments, for example, in the meat

department with steaks, or in the deli with roasted chicken.”

Henry offers additional cross-merchandising ideas. “Asparagus can be chopped fresh for a vegetable platter in conjunction with broccoli, cauliflower, celery, carrots and grape tomatoes. When served warm, asparagus can be paired with condiments, spices, herbs and cheeses.”

Asparagus can also be cross-merchandised with wine, adds Gourmet Trading’s Inestroza. “We conducted a promotion with Beringer wine over the holidays. Some 250,000 bottles of Beringer wine carried coupons for our green, white, or purple asparagus. It helped drive sales from other departments.”

### 7. Promote Regularly

Asparagus is an item Schneider at Acme Supermarkets finds profitable to promote. “It’s huge all year-long,” he says. “In October, we’ll try to promote once or twice on the cover of our sales circulars, and again a couple of times on the cover in January. After that, we’ll try to have ‘grass’ on the cover at least once per month as many months as possible. When the New Jersey-grown asparagus comes in, it will be our first locally grown ad of 2012. It’s also a key item to be able to promote for Thanksgiving, Christmas and Easter. The problem can be the transition between regions. For example, last year, costs at Easter were up 20 to 30 percent.”

Each growing region offers peak volumes ripe for promotion throughout the year. For example, there is a seasonal spike in Peruvian asparagus volume starting in September and running through December. Shipments of over 20 million pounds per month during these months enable U.S. retailers nationwide to promote fresh asparagus for everything from end-of-summer barbeques through Thanksgiving and Christmas holiday meals.

Spring is when asparagus is promoted most heavily at Dorothy Lane Markets. Manzano states, “This is when prices are best, when you have Peru, Mexico and new crop California in the market.”

Mission’s Hallow adds, “Promote asparagus out of Mexico for Valentine’s Day, out of Peru, Mexico or California for Easter, and California or Washington for Mother’s Day or Memorial Day barbecues.”

“Finally,” says Southern Specialties Eagle, “Promotions on asparagus should always be planned in partnership with shippers, who have the best information on supplies, rather than buyer-driven.”

**pb**





PHOTOS COURTESY OF CARRIER TRANSICOLD



Carrier Transcold's Carrier Vector 5100 all-electric trailer refrigeration units are designed for stationary cold storage at produce centers and supermarkets.

# Transportation Of Fresh Produce Has Gone Green

Beyond economizing fuel and eliminating LTL trips, transportation companies are going the extra mile to help the environment. **BY BARBARA ROBISON**

**G**oing green is now an integral part of operations for companies involved in the transportation of fresh produce. With increased costs of fuel, labor and equipment, it has become essential for transportation and logistics companies to become more efficient, and at the same time, help sustain the environment. Everyone seems to agree that the Go Green programs are costly, and suppliers, carriers and receivers need to evaluate them carefully.

The sustainability efforts of Jacksonville, FL-based CSX Corp., a supplier of rail-based freight transportation in North America, cover several broad areas: locomotive fuel efficiency, recycling and waste streams, and overall energy efficiency. "We have increased fuel efficiency dramatically with the purchase of hundreds of new fuel efficient locomotives," says Gary Sease, director of corporate communications.

## Fuel Saving Is A Major Step For Efficiency

Fuel saving is a key component of most efficiency and sustainability programs. It is important for non-asset based companies, as well as those companies with assets and those

supplying equipment to them.

C. R. England Inc., a global transportation service provider, headquartered in Salt Lake City, UT, conducts extensive fuel saving programs. "We have more than 6,700 trailers — not all refrigerated — and have many different initiatives having to do with fuel saving," states David Kramer, executive vice president of corporate sales. "Our trucks are governed to stay at 65 miles per hour — maximum — for both fuel economy and safety. We have added trailer skirts, at a cost of \$1,000 per trailer. It is a considerable investment, but reduces fuel consumption. Also, the SRC (Select Catalytic Reduction) engines we use, at a cost of \$10,000 per tractor, have resulted in a three percent fuel economy. We implemented the use of the technology of DFE (Diesel Fuel Exhaust) and controlled fuel economy testing on trailers and tractors at a cost of \$100,000 per year. The company also uses the technology for routing of company-owned equipment to avoid deadhead miles and wasted energy," he reports.

The company provides additional training for employee drivers, teaching them better driving and fuel consumption. Everything is recorded in the cabs. Fuel incentives and

special promotions are available to employee drivers. Fuel theft is monitored and mechanical failure is quickly repaired. At a cost of \$50 per year per truck, technologies track and remotely monitor company-owned trucks. The company also has a new fleet of intermodal trailers and containers on flat cars. They are about three times as fuel-efficient as trucks run on the road. Containers can be double-stacked for huge efficiencies. The fleet has been more than doubled, according to Kramer.

"C.R. England greatly values the long-standing relationships with our produce customers, and we understand the importance of shipping their products in a timely and well maintained temperature-controlled climate," adds Kramer. "The size of our fleet puts C.R. England in the distinctive position of being able to accommodate the unique surge demands of produce seasons."

Crowley Maritime Corp., headquartered in Jacksonville, FL, provides ocean container transportation, trucking and logistics services for the United States, Caribbean and Central America. Mark Miller, director of corporate and marketing communications, reports, "Our company recently invested over \$30 million on new refrigerated reefer equipment for the

# “Our trucks are governed to stay at 65 miles per hour — maximum — for both fuel economy and safety... The company also uses technology for routing of company-owned equipment to avoid deadhead miles and wasted energy.”

— David Kramer, C. R. England Inc.

Central America and Caribbean trade and their Speed to Market services. Transportation and logistics services associated with rapid and efficient handling of perishables is a very important part of the Crowley service offering. We understand there's no margin for error when shipping perishable commodities. That's why we combine state-of-the-art reefer equipment with experts in the field to provide customers with the most reliable refrigerated cargo transportation services available today.”

Miller points out that Crowley's Customized Brokers subsidiary is an industry leader in the fast clearance of fresh fruits and vegetables through U.S. Customs at ports and airports throughout the United States. “Every perishables-related service we provide is designed to keep it chilled, keep it fresh and keep it moving,” says Miller.

Crowley's Carrier EliteLINE refrigeration units also offer one-of-a-kind scroll compressor technology, featuring a patented wrap geometry, with tapered, thicker walls. According to Miller, the units provide greater capacity without increasing frame size. “The cargo remains stabilized, and it is traveling in a container that is environmentally friendly.”

Many companies involved in transporting produce are non-asset based and look to other carrier partners for Go Green programs. One of those non-asset companies is Raleigh, NC-based L & M Transportation Services Inc. (LMTS), a third-party logistics provider of regional, national and international transportation. It was named a 2012 Top Ten Innovator by *Food Logistics* magazine. “We use exhaustive due diligence in selecting carrier partners who meet or exceed industry standards for safety, reliability and sustainability,” states Doug Stoiber, vice president of produce transportation operations. “That said, in the current climate of shrinking capacity in truck-load haulers, we often have to work with carriers regardless of their individual efforts regarding the environment just to be able to handle our customers' shipments. Our dispatchers worked diligently at the outset of

the California Air Resource Board (CARB) regulations to make sure all West Coast carriers were compliant with the equipment regulations. These regulations came at a significant cost to produce haulers who load in, or are based in, California. Our efforts to get the most qualified carriers to haul West Coast produce has definitely helped maintain and grow our business with produce handlers and receivers.”

A big benefit to LMTS' clients is showing them how the cost of compliance with green initiatives is affecting freight rates and how squeezed capacity in the trucking industry is making the cost of truck operations too high for marginal shippers. Customers should understand that freight rates are never likely to return to past levels, and reflect on how they source their products and how they price them to consumers, according to Stoiber.

Many of the new truck standards from EPA, and especially CARB, are affecting those non-asset transportation companies negatively, shares Brent Schmit, president of Eclipse Distribution Inc., in Elburn, IL, believes. “We look for trucks that are up to the latest codes for our customers, but the regulations have gotten so out of line they are hurting people in the business. When small truck owners are required to spend \$10,000 for a piece of equipment for each truck to meet new standards it is difficult for them to be profitable. Over-the-road trucks seem to have taken the brunt of the environmental transportation regulations.”

## EPA's SmartWay Partnership Enlists Produce Transporters' Support

Kenneth Lund, vice president of operations at The Allen Lund Co., a La Canada, CA-based transportation brokerage, logistics and freight management provider, states, “We participate in green initiatives indicated by our support and membership in EPA's (Environmental Protection Agency) SmartWay Transport Partners Program. We also make daily decisions to coordinate transportation across the nation with less ‘empty miles’ per carrier.”

Armellini Express Lines Inc., a Palm City, FL-based large carrier of fresh flowers, has been a SmartWay certified carrier since 2008. SmartWay Transport Partnership is a strong government/industry collaboration between EPA, freight shippers, carriers, logistics companies and other stakeholders, to voluntarily achieve improved fuel efficiency and reduce environmental impacts from freight transport. Participating companies benchmark their current freight operations; identify technologies and strategies to reduce carbon emissions, track emission reductions and project future improvement.

SmartWay partners demonstrate to customers, clients and investors that they are taking responsibility for the emissions associated with goods movement, are committed to corporate social responsibility and sustainable business practices, and are reducing their carbon footprint. Many major freight shippers require SmartWay certification as a condition of doing business. One of the requirements for a shipper to become SmartWay-certified and maintain certification is to do a percentage of their business with certified carriers.

“In an effort to improve fuel efficiency in our fleet, we have tested various technologies, including trailer side skirts, ‘fly swatter’ mud flaps, and super single tires,” states Jeff Jackson, Armellini's vice president of operations. “We also are conducting ongoing tests with tire manufacturers, designed to measure perform-



PHOTO COURTESY OF CROWLEY MARITIME CORP.

Crowley recently invested more than \$30 million on new refrigerated reefer equipment.





**Carrier Transicold's next-generation technology reduces engine power by 18 to 20 percent and enables 5 to 20 percent lower fuel consumption.**

PHOTO COURTESY OF CARRIER TRANSICOLD

ance gains from both different tire compositions and tread patterns. Although everyone benefits, directly or indirectly, unfortunately, as with many new technologies, the cost of implementation offsets most, if not all savings. We believe that over time, as technologies become more widespread, implementation costs will go down and the cost/benefit equation will improve. In the meantime, if it reduces emissions and doesn't actually increase our costs, we believe it is the right thing to do."

Crowley's truck division is also a member of SmartWay Partnership. "By being accepted as a partner, we have pledged to contribute to the partnership goal of reducing between 33-66 million metric tons of carbon dioxide (CO2) and up to 200,000 tons of nitrogen oxide emissions per year by 2013," states the company's Miller.

"As an owner/operator fleet, we cannot implement any green initiatives since it is not our equipment," remarks Fred Plotsky, president of Cool Runnings Logistics Inc., located in Kenosha, WI. "However, a customer has imposed on us to become a member of SmartWay and they monitor this. I do not know how this benefits them, but we find more requirements are time consuming and counter-productive. We are always looking for ways to increase efficiency, but all the ideas for doing so seem to add costs."

The major Go Green goal for 2010 of Des Moines Truck Brokers (DMTB), based in Norwalk, IA, was certification by the SmartWay partnership. "Before the end of the year we were certified as a logistics partner and have included

the SmartWay logo on our Dashboard newsletter and company website," comments president and CEO Jimmy DeMatteis.

### Companies Providing Products For Transportation Join Green Movement

Major companies providing products for the transportation industry also have taken major steps toward greater efficiency and sustainability. Carrier Transicold, headquartered in Athens, GA, a part of Carrier Corp., offers a complete line of products and services for containers, trucks, trailers and rail refriger-

ation. Its next generation of technology provides selections for refrigerated transporters facing upcoming changes to the U.S. EPA emissions standards for 2013 as well as CARB emissions requirements.

EcoForward technologies are an important milestone in Carrier Transicold's continuous product development for transport refrigeration customers. The innovative technologies include forward-thinking enhancements that will boost performance and efficiency and intelligently coordinate refrigeration with a smarter engine. "Reducing emissions was one

**GENPRO**

At Genpro, our focus on exceeding customer expectations distinguishes us from other logistics providers. Our expertise in logistics management and the safe, reliable transport of your freight will guarantee your satisfaction with every load managed.

**1.800.243.6770 [www.genproinc.com](http://www.genproinc.com)**

**PREMIER LOGISTICS PROVIDER**



**ALLEN LUND COMPANY**  
Transportation Brokers

Dry, Refrigerated, Flatbed  
International  
Logistics &  
Software Solutions  
Nationwide offices



www.allenlund.com  
800.404.5863



Experienced, Reliable Carrier  
and Truck Broker Serving  
You with Integrity

**FARM 2 U LLC**  
Collard Man Inc.  
Perry, GA  
Joe McKellar  
24 hour phone: (478) 825-3100  
Fax: (478) 825-3118

**“Reducing emissions was one of the main goals in our product development process. We challenged ourselves to evaluate our systems holistically, while considering our customers’ long-term needs beyond immediate compliance requirements.”**

— David Kiefer, Carrier Transicold

of the main goals in our product development process,” states David Kiefer, director of marketing and product management. “We challenged ourselves to evaluate our systems holistically, while considering our customers’ long-term needs beyond immediate compliance requirements. The result is a fusion of new innovations with proven technologies from our successful platform.”

Carrier Transicold’s next-generation technology reduces engine power by 18 to 20 percent and enables 5 to 20 percent lower fuel consumption, compared to previous models over a full range of operating conditions. The technology will be applied to both the company’s trailer refrigeration platforms, the Vector hybrid diesel-electric and the X2 series of belt-driven units. Compressor and generator design modification to improve efficiency, performance and reliability are expected to reduce the weight of Vector hybrid units by more than eight percent. X2 series units will require 24 percent less refrigerant, reducing another potential source of greenhouse gases. Units featuring the EcoForward technologies will be available in limited quantities this year and fully available in 2013. The company also has a new NaturaLine refrigeration system in trial. It is the first container unit to use carbon dioxide, replacing 134A, as the refrigerant.

Daniel Barile, public relations specialist for Mercedes Benz USA, based in Montvale, NJ, states, “We are committed to working for greater efficiency and sustainability for the environment. Diesel transportation is especially important to us. We have had the highest sales ever of our innovative engineered Sprinter vans, selling over 2,000 units.”

#### **Apart From Fuel Saving, Transportation Firms Help Sustain Environment**

Transportation and logistic companies have been instituting efficiency and sustainability programs in more ways than just fuel. “We have found ways to reduce energy consumption at our facilities through solar and other alternative sources,” comments Sease of CSX Corp. “All of this is important to

us and our stakeholders that include customers, employees, investors and the communities in which we operate. Through these efforts we conserve precious resources and lower the cost of doing business, all important in today’s competitive world.”

DMTB scans documents instead of keeping paper copies. Electronic filing systems were created and customized specifically for DMTB customers. With meticulous back-up seconded by off-site electronic storage, custody of all important papers, receipts and notifications is assured. “In 2011, we added paperless invoicing,” states the company’s DeMatteis. “While paperless payments were accepted as the norm, invoicing without a hard copy document was a slower sell. Half-a-dozen clients switched to this process as a test. Their invoices were emailed instead of being sent by USPS. The process was flawless and encouraged more customers to abandon paper invoicing. We have moved to Rendition Billing, a system that creates and automatically emails invoices, complete with all the appropriate back-up documentation.”

This year, DMTB will move to a new ecologically sustainable, multi-million dollar warehouse and office. Special lighting has been installed and contractors are suggesting ways to recycle air conditioning condensation. Waste stream will be monitored for efficiency. Signage throughout the building will remind occupants and visitors of the company’s green mission and invite them to participate.

Crowley’s corporate headquarters underwent an \$8.55 million total renovation, to promote sustainability. “We achieved a 96 percent waste diversion from the landfill by recycling materials like metal, glass, cardboard and carpet during demolition phases and by donating almost all used furniture to local schools, charities and businesses,” says the company’s Miller. “By upgrading lighting, heating, air conditioning and other items we have reduced operational, maintenance and energy costs. We received the United States Green Building LEEDS (Leadership in Energy & Environmental Design) silver award for our renovation.”

**pb**



# PWPM Leads The Way Through Change



Faced with rising costs and greater competition, Philly area merchants forge their way through tough times with innovation and adaptation.

BY JODEAN ROBBINS



Philadelphia area merchants have spent the past year balancing an increasingly competitive marketplace with the benefits of the new Philadelphia Wholesale Produce Market (PWPM) state-of-the-art facility. "We've been adapting to and innovating for business in the new facility and in the changing competitive marketplace," says Fadi Abi-Khattar, president/treasurer at Klinghoffer Brothers Inc.

"You have to adapt," states Mike Maxwell, president of Procacci Brothers/GS Distribution. "For people who think you can operate the way Granddad did — you can't. The world has changed."

"The business is certainly different now from our fathers' days," adds Todd Penza, in sales with Pinto Brothers Produce. "We're responding to a changing marketplace. We're adapting and looking at how we can better assist our shippers and our customers."

Business on the market has changed, brought on in great part by new attitudes as well as facilities. "The business has become more sophisticated since the move to the new market," says Alex Dvor, owner of ADM House of Produce, an independent produce retailer in Philadelphia. "The same personalities are still here, but service is much better than before. The technology here enables sellers to be more service- and customer-oriented. It's a more





John Vena,  
John Vena, Inc.



Dan Vena,  
John Vena, Inc.



James DeMarsh,  
John Vena, Inc.



Alex Dvor,  
ADM Produce



Mark Semerjian,  
Nardella, Inc.



Mark Levin,  
M. Levin & Co., Inc.



Tracie Levin,  
M. Levin & Co., Inc.



Nelson Gonzalez,  
Coosemans Philadelphia



Anthony Stea,  
Stea Bros., Inc.



Chris Kovacevich,  
T.M. Kovacevich Phila., Inc.

progressive mentality.”

“This has been a time of enormous change for our merchants,” reports Dan Kane, PWPM general manager. “As we’ve settled in and become comfortable in our new skin, business is growing. Our merchants report strong sales from a notable uptick in customer and sales numbers this spring and summer.”

The new market provides ample opportunity for success in any market. “Business succeeds or fails regardless of good or bad times,” states Dvor. “Our job is to figure out what people want and then provide it. Those who are evolving and striving to do more are increasingly successful.”

“Especially in this competitive marketplace, retailers and foodservice operators

should be looking at the advantage our market can give them,” suggests Abi-Khattar. “If I were a buyer, I’d be tickled to death because I don’t have to deal with the elements and I can get good quality at very competitive pricing.”

“With 75 percent of our business going to retailers, we realize how competitive the retail climate is,” says Tom Kovacevich,

## A Worthy Attraction

The unique character of the PWPM has attracted many interested parties to tour the market. Since joining the PWPM staff in August, business development manager Tad Thompson has given well over 100 tours. “These have ranged from individual buyers to 80 people who visited as part of a PMA event in the winter,” he relates. “We’ve hosted national, city, state and civic groups as well as grower, health and logistics associations, and transportation companies.”

The market has also received heightened awareness among international players. “We’ve had groups from China and Israel visit to learn lessons to apply to new markets at home,” says Thompson. “In November, we hosted a boardroom full of members of the Delaware River seaport’s international produce leaders to take advantage of opportunities that may present themselves by our being atop the Western Hemisphere’s largest fruit port.”

On April 17, the market presented the



VIPs recently enjoyed the first annual EPC “Taste of Philly” dinner at the new, state-of-the-art Philadelphia Wholesale Produce Market.

first Delaware Valley Nutrition Summit. “This brought together 80 people from a wide range of groups to discuss how the PWPM could become an active source for helping resolve the food desert of Greater Philadelphia,” explains Thompson. “Lead speakers at the Nutrition Summit included the top food and nutrition executives of USDA and the cities of Philadelphia and New York. It was a very, very positive experience.”

The Eastern Produce Council’s “Taste of Philly” dinner was held in heated tents in the cool concourse of the market on May 15. “More than 200 people attended the highly successful meeting,” reports Thompson.

“We are so proud of our produce market home, we want to ensure everyone knows that the PWPM is a perfect locale for any meeting need,” says Tom Kovacevich, general manager with T.M. Kovacevich.

pb



## **Good food shouldn't go to waste when people are going hungry.**

In the past year, Philabundance has seen a 26% increase in need across the region - the largest growth among working families who are forced to seek food assistance for the first time.

Philabundance needs food donations, now more than ever, to help meet the growing number of families unsure of where they'll get their next meal.

If you ever have a load of produce that you cannot receive or deliver, please consider donating it to those in need. Philabundance can accept:

- **Items that don't meet market specifications**
- **Customer returns**
- **Produce that is 90% viable with a shelf life of 5-7 days**
- **Damaged cases**

We look forward to picking up your generous food donation and using it to provide food to some of the 65,000 individuals we feed every week across the Delaware Valley.

**To make a food donation  
contact Lisa Hodaei at  
215.339.0900 x1303**





# PINTO BROTHERS, Inc.

**Specializing in Western & Southern Vegetables, Melons, and Mangoes**

Call: Louis Penza, Jr., Fred Penza, Todd Penza, Buddy Lombardo & Michael Lombardo

Units G7 - G9  
Philadelphia Wholesale Produce Market  
6700 Essington Ave.  
Philadelphia, PA 19153

215•336•3015  
800•523•4047  
Fax: 215•336•5422

www.pintobrothers.com



general manager of T.M. Kovacevich. "We need to give our customers the one thing they need most to beat others in their marketplace — freshness. Ideally, freshness is what we do best, especially in this new building where we are completely under the cold chain."

The market also still preserves the face-to-face nature of the business. "Produce is a hands-on business," stresses Mark Levin, CEO of M. Levin & Co. "Buyers who don't come down here miss the opportunity to see things first-hand, to try new products, to discover what else could be possible outside what they're already doing."

"Everyone's idea of how to be more successful and valuable is changing," states John DiFelicianantonio, member of Ryeco Produce. "It's a hard thing for some to accept and understand because they've been doing things the same way for so long. The key is to be open to change and respond to customers."

## Meeting Challenges

One of the biggest challenges of the new PWPM is that of expanding the customer base. "We've led efforts to expand the customer base and the new market is working diligently on this," says Joe Procacci, CEO Procacci Brothers.

"We're working together more with customers and suppliers and we are looking to increase cooperation," says Chip Wiechec, president of Hunter Bros. Inc. "I'm doing business in areas I never thought I'd be in like schools and institutions. If you keep an open mind, there is a lot of business out there."

According to DiFelicianantonio, "There is a lot of competition, and consumers are savvier. Everyone wants better products for less money, yet at the same time the cost of goods is rising. But saying it's tough is not saying it's impossible — you've got to go for it."

The new market facilities promote competition to the benefit of buyers. "The new market has really promoted tighter competition because the facility is more conducive to getting around and seeing everyone," says Dvor of ADM Produce.

"Those who haven't shopped here yet will be shocked to see how competitive the market is price-wise and how high the quality level of the product is," adds Klinghoffer's Abi-Khattar. "Our customers are finding out they can buy better produce at a better price. We have room to

**THE HEART OF THE PHILADELPHIA MARKET**

**PROUDLY SERVING THE PHILADELPHIA AREA FOR 70 YEARS**

**STEA BROS., INC.**

ANTHONY STEA • FRANK STEA, SR. • FRANK STEA, JR.

**215-336-7806 • FAX 215-336-2194**

EMAIL: ANTHONY-STEABROS@ORBISINTERNET.COM

UNITS B-7 - B-8 PHILADELPHIA WHOLESALE PRODUCE MARKET  
6700 ESSINGTON AVENUE • PHILADELPHIA, PA 19153



# *fresh* *taste*

Growing produce all over the world



BY AIR  
BY SEA  
BY LAND  
TO YOUR DINING ROOM TABLE



**FRESH TASTE CANADA**

Tel: 416.255.2361

Fax: 416.255.8742

[sales@freshtaste.ca](mailto:sales@freshtaste.ca)

[www.freshtaste.ca](http://www.freshtaste.ca)

**FRESH TASTE USA**

Tel: 215.739.5057

Fax: 215.739.5058

[sales@freshtaste.com](mailto:sales@freshtaste.com)

[www.freshtasteusa.com](http://www.freshtasteusa.com)

bring in more stuff and the customer can more easily walk from one store to another and comparison shop. It's a huge difference from the old market."

**Changing Behavior**

Merchants on and off the market have seen changes in how customers work with them. "Customers are more careful about what they buy in tough times," says John Vena, president of John Vena Inc. "They want to ensure it's good and will sell. Our

role is to identify the things we need to do to help them get the product they'll be successful in selling."

"We see customers taking advantage of the cold chain benefits the new market offers," says Anthony Stea, CEO of Stea Brothers Inc. "They know the product lasts longer."

One of the pressing challenges is logistics. "Customers are using wholesalers more as a warehouse, buying in smaller quantities and ordering more frequently,"

says Greg Cain, director of operations for Fresh Taste, an importer in Philadelphia. "The challenges of logistics and the marketplace also present opportunities for us with our customers. We look to how we can work with them."

Pinto Bros' Penza agrees, "More people want LTL delivered than before. These trucking and logistics challenges will help bring business back to local markets."

Food safety and traceability present additional considerations. "Food safety is

# JOHN VENA, INC.

SPECIALTY FRUIT • VEGETABLES • HERBS

- Full service Avocado Ripening and distribution**
- Food Safety Certified**
- Unbroken Cold Chain**

PHILADELPHIA WHOLESALE PRODUCE MARKET, UNITS F-1 – F-5  
 6700 ESSINGTON AVENUE, PHILADELPHIA, PA 19153  
[www.johnvenaproduce.com](http://www.johnvenaproduce.com)

Bus: 215-336-0766
Fax: 215-336-2812





---

FRESH HERBS • TROPICAL FRUIT • ASIAN VEGETABLES • GREEN HOUSE VEGETABLES



Bobby Mueller and Jimmy Baldwin, Nardella, Inc.



Mike Watson and Tom Kovacevich, T.M. Kovacevich Phila., Inc.



Louis Penza and Fred Favuzzi, Pinto Bros.



Michael Lombardo, Pinto Bros., and Andre Santori, buyer, Santori's Fruits and Vegetables



# DEDICATED TO A BRIGHTER FUTURE



RYECO, LLC

**Each and every day, everyone at Ryeco asks the same question:**

***How can we help our customers grow their business and become more profitable?***

**The answer always begins with excellent quality.**

**Whether it is Potatoes and Onions, Stone Fruit, Berries, Melons, Western Vegetables, Imported Fruit and Vegetables, and Local Produce in Season – we always work with the industry's top shippers to ensure premium quality.**

**Then, our state-of-the-art facility, unlike any other in the world, does the rest.**

**• Consolidation • Forward Distribution • 24/7 Service**

***Units C3, C4, C5, C6, C7, D5, and D-6  
Philadelphia Wholesale Produce Market  
6700 Essington Avenue • Philadelphia, PA 19153  
215-551-8883 • Fax: 215-551-9036***

## All NEW and FREE!



Download the Best Fruit Now app and get the inside Scoop on hundreds of fruit varieties.

Features 99 varieties of apples alone! Fun facts such as where and when did Maria "Granny" Smith discover the famous green apple that bears her name.



increasingly important to buyers," says Procacci of Proccaci Bros/GS Distribution. "The market's technology lends itself to PTI- and food-safety compliance. Our facilities are third-party audited."

"Customers are increasingly concerned with compliance and food safety," agrees Ed Reynolds, a sales associate with Fresh Taste. "The cold chain aspects of the PWPM are a real asset. Produce is handled better, and higher end customers are buying there because of the cold chain and food safety implications."

Certification is now a possibility for market merchants. Tracie Levin, general manager of M. Levin & Co. Inc., says, "Keeping up with standards and compliance challenges everyone. We're working on getting a Primus Global audit. In a few more years, everyone will have to be third-party certified, so we want to be proactive."

"Food safety is one of our primary concerns," states Jimmy Storey, president of Quaker City Produce. "We are in the process of certifying with the USDA. The new facility makes this easier."

Rick Milavsky, president of BRS

Produce, reports, "As each day goes by, more and more customers ask about certification. We're currently looking into third-party certification."

### Customer Satisfaction

The PWPM provides significant enhancement for customers. "Everything the market offers, from the clean public restrooms, to the restaurant, to the walkable concourse, makes the customer's life easier," says Klinghoffer's Abi-Khattar. "It's spacious and very easy to come and go. Customers don't have to worry about theft, or heat or cold, or manipulating heavy plates for loading."

"Customers are finding it a pleasure and beneficial to shop here," concurs Milavsky. "It's easier to get stuff off the trucks and get product to the customer."

"Because of the ample parking, customers don't have to be here at a certain time to fight for a parking spot," says PWPM's Kane. "Now customers can arrive at the time most convenient for them."

"Customers are getting in and out faster," agrees Gary Goldblatt, president/treasurer at G&G. "Some of the



## BEEF UP YOUR PRODUCE SALES WITH GIORGIO MUSHROOMS.

We've been in the mushroom business for three generations, enhancing our status as the premier brand, year after year. We have the variety, quality and reputation your customers demand. Our fresh mushrooms meet the most rigid inspections and certifications. Our expertise with Vendor Managed Inventory (VMI) makes it easy to do business with us. Let us bring the art and science of growing sales to your produce section.

*Equal Opportunity Employer*

Giorgio Fresh Co. | 347 June Avenue, Blandon, PA 19510  
800.330.5711 | www.giorgiofoods.com

## FRANK LEONE B.R.S. PRODUCE CO. T/A



Units D2 - D4  
**215-336-5454**  
fax **215-336-5220**

Sales by: Ron Milavsky,  
Rick Milavsky, Ed Lord,  
Charles Sammartino

**TROPICAL SALES**  
Ed Barba

**FEATURING TOMATOES  
FROM ALL SECTIONS**

**Tomato Sales: Fred Makadon**  
**Mushroom Sales: Nick Stio**



# Coosemans Philadelphia, Inc.



Passion For  
Our Shippers

Passion For  
Our Customers

Passion For Our Products



Offering the Finest Quality Specialty Produce and Service.

A-7 – A-9 Philadelphia Wholesale Produce Market • 6700 Essington Ave. • Philadelphia, PA 19153  
Phone: 215.334.3634 • Email: coosemansphd@aol.com



smaller guys were worried they wouldn't get serviced in this new facility, but they're actually getting better service now than before."

Layout and cold chain aspects have led to product quality improvements. "Physically, the move allows us to get customers in and out more quickly and give them better product," says Ryeco's DiFelicianantonio.

"It's easier to get the produce out," agrees Dvor of ADM. "I'm not as worried

about the cold chain as I was before. I can take my time and shop and not be concerned about my product."

"The new facility allows us to go after companies with strict requirements of not breaking the cold chain," adds Goldblatt. "This is a big advantage for us."

One definite area of improvement for both customers and merchants is that of efficiency and shrink. "There is no shrink now!" exclaims Marty Roth, secretary/treasurer for Coosemans Philadelphia.

"There's no weather to combat, no freezing or melting of product. This building is amazing when it comes to produce."


"We have a lot less returns here than in the past," says BRS' Milavsky. "Stuff doesn't get frozen or warmed up because of the weather. It's obvious that everyone, including customers, is working on close margins these days. The customer wants good stuff, fast and at a good price."

"We see more phone orders," adds

# In Memoriam

## Angelo "Pete" Penza

April 13, 1932 – February 8, 2012



*The epitome of a true market man, Angelo "Pete" Penza started from the ground up, literally.*

Born in Philadelphia in 1932, he began in the business by hauling produce to the local markets with his mother and his brother, Lou. Not long after, he bought Pinto Brothers Wholesale Produce, launching a career that would span more than 50 years.

Friends, family, and business associates considered Pete to be ethical, honest, and hard-working – and lucky. His son Fred recalls a story about the time Pete was vacationing in Puerto Rico and struck up a random conversation on the beach with a friendly stranger. The man turned out to be a mango producer looking for a U.S. distributor! Pete made the most of the chance encounter – eventually Pinto Brothers became an exclusive distributor for Pango Mango.

Pete, who had retired in 2011, was a member of St. Mary of the Lakes Church and honorably served his country in the United States Navy. He is survived by Linda, his beloved wife of 32 years, and his sons Fred and Mark, who carry on his legacy at Pinto Brothers.



Paul Matthews and Mike McCauley, Procacci Brothers Corp./GS Distribution



Joe Procacci and Mike Maxwell, Procacci Brothers Corp./GS Distribution



Deb and Chip Wiechec, Hunter Bros., Inc.



Artie Diamond, Diamond Produce and Richard Nardella, Nardella, Inc.





John Vena, of John Vena, Inc., Dan Acevedo and Doug Meyer from West Pak Avocado Inc., reviewing a new avocado ripening room control panel.

Storey of Quaker City Produce. "The customers have more confidence that product will be good because we don't break the cold chain."

### Discovering Value

Customers are recognizing the value they can reap at PWPM. "They don't want to spend a lot or overpay, but they will spend what's necessary to get good taste and quality and a product that holds up," says John Durante, president

of Nardella Inc.

"The advantage of what the market can provide in terms of quality, variety, convenience and flexibility has brought in new and bigger customers," says Pinto's Penza. "They're starting to rediscover the value of the market. Companies want to fill their trucks up here, take advantage of buying shorts, take it to their warehouse and better service their customers. In such a competitive environment as today's market, these buyers see the advantage

they gain from us. They can maximize their business here."

Businesses report increased traffic on the concourse. "We do see new customers coming to the market," confirms Roth. "Some customers who used to walk the old market now get deliveries, and we're doing more phone orders as well."

"There is more walk-through traffic now than there used to be," agrees Wiechec of Hunter Brothers. "Word is getting around about the benefits of this



# Nobody else stacks up.

From the ground up, we offer a full line of services and one of the industry's widest ranges of premium produce.

- Traceability and food safety initiatives from seed to fork.
- Organic, specialty, and ethnic products from around the world.
- Providing a full line of Floral and Garden Products.
- Proprietary products including UGLYRIPE® heirloom tomatoes and Santa Sweets® grape tomatoes.
- Specialists in private label and packaging solutions.
- Serving customers, not as a supplier, but as a partner.

Partner with a leader. Procacci.

**PROCACCI**  
BROTHERS SINCE 1948  
The leader in the field.™

800-523-4616  
www.procaccibrothers.com







John Nelli,  
Hunter Bros., Inc.



Rich Jones,  
Hunter Bros., Inc.



Fadi Abi-Khattar,  
Klinghoffer Bros., Inc.



Gary Goldblatt,  
G&G Produce



Dan Kane, Philadelphia  
Wholesale Produce Market

place. Things like the nutrition summit have really drawn attention to what can be done here."

"In the old facility, many people only shopped one side of the market," says Goldblatt. "Now we see customers shopping both sides because it's easier to get around to all the merchants."

### Expanding Product Lines

The ample and climate-controlled space results in an expanding product offering. "Generally speaking, many of our merchants have expanded product lines to increase sales," states PWPM's Kane. "They have more warehousing space



Ed Lord, Charlie Samartino, Ed Barba and Nick Stio, B.R.S. Produce Co.

to accommodate new products."

"We've experienced changes in our product abilities because of the new place," says Mark Levin of M. Levin. "I can

now bring in strawberries and hold them for days without worrying that they're going to melt. We can gamble a little more on new or unique items."

Thanking our Customers & Shippers for  
their Loyalty and Support

# Nardella, Inc.

The Finest Stone Fruit,  
Deciduous Fruit,  
Citrus and Tomatoes

John Durante, Mark Semerjian, Jim Baldwin,  
Bob Mueller & Richard Nardella

Units G-4 to G-6 • Philadelphia Wholesale Produce Market  
6700 Essington Avenue • Philadelphia, PA 19153  
Phone: 215-336-1558 Fax: 215-336-5757

**M. LEVIN & CO., INC.**  
FRESH FRUITS & VEGETABLES

"Be in the Best of Hands"

**106 Years of Quality and Service**

Your #1 Source for Bananas and  
Tropicals on the Philadelphia Market

**PRODUCE DIVISION**  
Mark Levin • David Levin • Joel Segel • Mike Levin  
Lennie Zwoitl • Joe Arrata • Jeff Moore • Pete Gabriele

**TROPICAL DIVISION**  
Bill DeFelice • Brian Kriebel

**PHILADELPHIA DIVISION**  
Trade Levin • Sarah Levin • Joe McGowan

**FOODSERVICE DIVISION**  
Margie Levin Frischman • Charlotte Goldman

**CARLOT RECEIVERS**  
Philadelphia Wholesale Produce Market Units H-2 - H-5  
6700 ESSINGTON AVENUE • PHILADELPHIA, PA 19153  
326 PATTON AVENUE • PHILADELPHIA, PA 19148  
215-336-2900 • 800-523-1986 • Fax 215-755-6757  
sales@mdlevinco.com • www.mdlevinco.com





Todd Penza,  
Pinto Bros.



John Durante,  
Nardella, Inc.



Richie Routhenstein,  
Coosemans Philadelphia



Marty Roth,  
Coosemans Philadelphia



John Black,  
E. W. Kean Co., Inc.

Stea Brothers' Stea reports, "We're handling different gourmet/artisan lettuces. It's a product we can take a risk on now because of the cold chain integrity of our facility. We're continuing to look at how we can meet the needs of our customers — it's a growing process."

"We are trying to increase our volume and what we offer," says Quaker City's Storey. "We're getting more into soft fruit as well as apples, pears and oranges. We want to make it easier for customers, offer them a one-stop shop."

G&G has added items it didn't carry before. Goldblatt explains, "We've started handling strawberries, blueberries, ginger

and garlic."

Tracie Levin of M. Levin adds, "We've always had a lot of tropical items so it's not something new for us to handle a wide variety; however, we now have a lot more display space so customers can more easily see what we've got."

Ryeco purchased two more units on the market, previously operated by Colace, in order to expand its product line. "The acquisition has given us a substantial selection of high quality, hot house products, both domestic and imported, as well as increased local produce offerings," says DeFelicantonio. "We now have significant volume in cluster, Beefsteak, Plum,

Campari and other vine tomatoes, as well as colored peppers."

Procacci has added floral/plant products to its line to meet customer needs. "This plant/floral business came about as a response to the need to fill trucks and look for new areas of expansion," explains Maxwell. "We're seeing great movement in the plants/floral items at the market and in our off-market sales. There is growing interest with local chain stores in this line of product."

Procacci's newest line extension offers some of its most popular products for home gardens. "We're selling Ugly Ripe Heirloom tomatoes and Santa Sweet



## Treating the Small Grocer Like One of the Big Guys

- Providing produce solutions to the smaller grocer and retail co-ops
- Full line of fresh premium produce and floral items delivered directly to your store
- Customized bulk, packaged, and private labeling options available



215-463-8000  
Procacci Brothers Sales Corp.



grape tomato plants in response to market demand," says Maxwell. "We sold 10 trailer loads this year and are looking to increase next year. There is a huge fan base for the Santa Sweets and Ugly Ripe. So this is just offering these products at a different level."

### Partnering For Variety

Customers are increasingly seeking

out more variety. "There is no separate ethnic or specialty anymore," states Coosemans' Roth. "All of our customers are trying to offer a diverse line of products. We're adding on more commodities like fennel, pineapples and Florida avocados this year."

"We see customers looking for more variety of products," agrees Nardella's Durante. "As neighborhoods have become

more diverse, the stores must carry a more diverse line of products."

"We see interest in specialty items increasing," reports Fresh Taste's Reynolds. "Last year, we saw about a 10 percent increase — things like Muscato grapes or Italian chestnuts. The PWPM really helps us with specialty products as merchants on the market expand product lines."

New partnerships with shippers allow

## Investing in the Future: PWPM Utilizes Interns For Present And Future Benefit

Merchants on the Philadelphia Wholesale Produce Market (PWPM) have discovered a wealth of talent at St. Joseph's University Food Marketing program. "Twice a year, students from the Food Marketing program enter a co-operative work program," reports John Vena, president of John Vena Inc. "The program is structured by Jerry Bradley, coordinator of cooperative education, at St Joseph's."

"We interview multiple students from Saint Joseph's Food Marketing Co-op Program and offer one an internship in our office for the spring semester," explains Dan Kane, PWPM general manager.

Procacci Brothers began working with the co-op program five years ago. "Students apply and interview with our HR department for a six-month paid co-op," says George Binck, executive vice president for Procacci Brothers Sales/GS Distribution. "Additionally, the students receive course credits and a marked grade for their work."

The program is designed to parallel a true job experience. "Bradley's office sends resumes from the interested students and schedules interviews," explains Vena. "The screening and interview process is an integral part to the student's preparation for real job hunting experience."

Students can be exposed to a variety of tasks. "Our goal is to expose the student to various facets of the operation such as shipping, receiving, direct store distribution, quality control, production and merchandising," explains Binck. "As the student moves through these different departments, he or she is teamed up with the departmental manager who serves as a mentor."

Vena currently has two interns, one working as a marketing assistant doing website content, social media, creating



Dominick Solazzo and Erin Marie Gallagher, food marketing students at St. Joseph's University, work as interns at John Vena, Inc.



marketing materials and photography. The other works as a sales assistant, working on order entry, special price lists and customer contact.

The first student actually hired by Vena in late 2009 was to fill a role working for the PWPM in the months running up to the move-in and opening in the new market. Vena explains, "The Market had a huge amount of marketing work going on at the time and we needed someone to provide continuity to the process, and to assist with media contact, market tours and web content development. I was very impressed with the quality of the students I interviewed for that position and I realized I could use that enthusiasm and energy to help in my own company's marketing. I took my first student in June of 2011, and we have continued to employ them."

This past semester the PWPM brought on Mike Bucher as a business development intern. PWPM's business development manager Tad Thompson states, "He has taken on a great deal of responsibility, including researching and cultivating busi-

ness relationships with Pennsylvania school districts; planning the details of the Delaware Valley Nutrition Summit; working on marketing and advertising budgets and plans; and leading tours at our facility. Along the way, he made many useful professional connections of his own and became a more polished business person."

"The experience at PWPM has been incredible," says Bucher. "I couldn't ask for a better first professional work experience. I learned how to develop business relationships, make sales, and understand the thought processes behind marketing and advertising. Most importantly, I now better appreciate how fruits and vegetables make it from farms to our dinner tables."

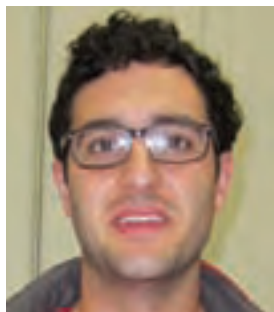
The investment is not just for the short term. "Since beginning the program, we have hired three of the interns full-time," reports Binck. "Our goal is to plant the seed for a career in the produce industry for future generations. The students come energized to work — openly engaged for challenges. It is not long before they bring real value to our company."

pb





Ted Kean,  
E.W. Kean Co., Inc.



Louis-Hunter Kean,  
E.W. Kean Co., Inc.



John Collotti,  
Collotti & Sons



Anthony Russino, market buyer, and Dominic Leo,  
Procacci Brothers Corp./GS Distribution

for additional potential. "The great relationship we have with our growers has enabled us to sell the way we sell and have the success we've had," says Penza of Pinto Bros. "We do storage and distribution for the Rosemont avocado label and are more into pineapples. I have a new grower of cantaloupes and honeydew from California."

"We are adding products to our inventory that customers have specifically requested, including non-perishables for the produce department," says Vena of John Vena Inc. "We continue to look for foodservice opportunity for small packages. As of June 1, we opened our

avocado ripening facility in partnership with West Pack Avocado Inc. We have a unit dedicated to avocado pre-conditioning and distributing."

Vena is also pushing into lines of local products. Vena explains, "We have entered into an agreement with Bright Farms to handle their production of greenhouse product for the foodservice market in this area. We'll be handling fresh herbs and baby lettuces among other things."

### Serving The Customer

A large part of serving the customer is establishing trust. "It all falls back to your relationship with the customer,"

says Durante. "As long as he knows he's not going to get hurt and that you're going to take care of him, then you'll succeed. As innovative as we want to be, it still comes down to making the customer feel he can trust you and giving that 100 percent guarantee."

Coosemans' Roth adds, "Trust in this business means if a person has a problem, they don't have a problem, because we fix it for them."

Stea adds, "The customer trusts us more and that's led to increased phone business. They trust we've got great quality and we'll put the right product on their truck."

**E.W. KEAN  
CO., INC.**

**Fruits & Vegetables from  
all Shipping Points**

Ted Kean  
John Black  
Mike Gonzales  
Michael Boccelli  
Gus Rago  
Ted Kean III

**215-336-2321**  
**Fax: 215-336-1596**

Units D-1 and G-1 - G-2  
Philadelphia Wholesale  
Produce Market  
6700 Essington Avenue  
Philadelphia, PA 19153

**Hunter Brothers Inc.**

*Generations of Quality and Service*

- You can depend on our commitment to quality and safety
- Dedicated to Industry Improvement
- We work hard for our shippers and customers

Sales:  
Clay Wieshac • John Nelli • Rich Jones • Bill Jones

**Phone: 215.336.4343 • Fax: 215.336.4340**  
Email: [hbfruit@aol.com](mailto:hbfruit@aol.com)

Units H8 - H9 Philadelphia Wholesale Produce Market  
6700 Essington Avenue • Philadelphia, PA 19153



The competitive marketplace has led to an expansion of service. "We sell service now," says Maxwell. "Don't even think you sell anything else. We provide a lot of goods our customers would have to go other places to get."

"We're focusing on personal service," says Fresh Taste's Reynolds. "We're a small company and we go the extra mile for customers. If they need something different we'll work with them."

A focus on service aims to help

customers. "I focus on what my customers need and how I can adapt to help them make money," says DiFelicianantonio of Ryeco. "If I do that, then I make money too."

"We've been working with customers to show them how to set up and use displays in their stores," says Hunter Bros' Wiechec. "This helps our customers increase their business. The smaller stores just don't get that kind of attention anywhere else. For example, Kingsburg sent us a display that we helped one



customers use. He sold three times what he usually does."

### Improving Communication

Information and communication are crucial assets. "Our new facility promotes increased communication with the customer," says Nardella's Durante. "We talk about specials or promotions ahead of time to help them best sell."

"We utilize TVs in the store for communicating to customers," states Wiechec. "This allows us to do more for our shippers, like run presentations so our customers can see more about the grower of the product they're buying. Shippers like Stemilt give us videos and this helps us educate buyers on the shippers."

Web-based platforms and social media are another growing tool. "A couple of merchants are applying social media to their promotional mix," reports PWPM's Kane. "In addition, our revitalized website, [www.pwpm.net](http://www.pwpm.net), has merchant profiles that indicate what some owners here are doing with social media."

"We continue to build a database of product information on our website and make improvements to our site so it's more user-friendly," says Vena of John Vena Inc. "We're increasingly tying it to more real-time activities."

"We're working on our website to increase exposure and customer value," says M. Levin's Tracie Levin. "We also have a Facebook presence. It's a challenge to continually ensure we're relevant on the social media sites, but we've been fairly successful." **pb**

# In Memoriam

## Kalman Batt

July 30, 1945 - March 12, 2012



Lovingly referred to as an "old-timer" in the produce business, Kalman Batt will be remembered by the countless friends he made in the industry... all around the world.

Kal began his career working for his uncle at J.F. Pontari and later worked for Bud Anile at House Of Bud on the Hunts Point Market in the Bronx. Eventually, Kal partnered with his brother, and they became the first on the Philadelphia Market to bring fruit in by rail. In the early 1970s, they partnered with Al Finer in Philadelphia. After Kal parted ways with Al Finer, he joined Nardella, Inc. According to those who knew him best, Kal was a serious produce man who always had an incredibly positive mindset and old-school approach to business.

A favorite story about Kal is that he would take a load of cherries – sometimes an astounding 2000 at a crack – and separate them by stencil, a lost art among today's jobbers. Kal was also a free spirit. His nephew Brad Pack remembers his uncle zipping around on his 1966 650 Triumph Bonneville motorcycle, wearing calf-high moccasins and a rawhide jacket. As a young man, Kal was a starting offensive lineman on the Public League Champion South Philly High School football team.

Exhibiting the same tenacity that propelled him to success both on the gridiron and in the markets, Kal took the news of his illness in stride. He never gave up hope that he would recover, and he maintained his usual grueling work schedule, even at the end. He will be fondly remembered by all who knew him and especially by his wife Karen and son Michael.



*Where Old World Values...*



*Mural by Kids of Ogontz Avenue Art Company, 2011  
As seen on the walls of Units A-1 - A-6 at the Philadelphia Wholesale Produce Market*

*...Forge Lasting Relationships*

**T.M. KOVACEVICH - PHILADELPHIA, INC.**

**Celebrating Over 25 Years of Excellence**

**www.tmkproduce.com • Units A-1 - A-6 Philadelphia Wholesale Produce Market  
6700 Essington Avenue, Philadelphia, PA 19148 • (215) 336-3160**



# Capogiro Gelato Artisans



*Capogiro*: Italian for giddy or dizzy; when something is so good it makes your head spin.

BY JODEAN ROBBINS

**T**his funky, whimsical café will do just what its name implies and more. The metallic tables with bright orange chairs on the sidewalk hint at the fun to come. Once you pass into the large contemporary space, 24 unique flavors of gelato beckon your tastebuds.

But let's back up a bit. In September, 2001, Stephanie and John Reitano went to Italy on their first vacation minus their three children. While visiting Capri, they stumbled on a little gelato shop, which led to the next era of their lives. "Right then and there, John and I began our business by wondering why we could not find the flavor and quality of this gelato in the United States," relates Stephanie Reitano, Capogiro co-founder and gelato artisan.

Capogiro Gelato Artisans opened its landmark 30-seat location in December, 2002, and has since opened three additional cafés in Philadelphia, a national mail order program and a wholesale business reaching throughout the Northeast corridor, Texas and California. In November, 2011, Capogiro was named the No. 1 place in the world to eat ice cream by *National Geographic* and was featured in its book, *500 Food Journeys of a Lifetime*.

## The Honor Of Artigianale

Each of the cafés is slightly different in design and orientation, but all are built around the integrity of the product. "Our mission was to bring a piece of Italy to our business, to embrace the lasting beauty of everyday life," says Reitano. "To do that, it was necessary to commit to

the rules for what is considered *artigianale* (artisan)."

Adhering to the rules of "*artigianale*" dictates that everything must be made in-house — the base as well as flavorings. "There are no short cuts," explains Reitano. "These days, the term artisanal has become menu-speak and does not always stand for much more. But the Italian term "*artigianale*" is a directive designed to protect consumers from misleading advertising. It is a tradition, and one not easily honored. Our pledge to this concept means making everything in-house, which translates into baking pumpkins and scraping out the pulp, roasting our own almonds and grinding them for flavoring paste, knocking each and every seed out of a pomegranate and creating our own herbal infusions."

The Reitanos opened their first café with every intention of providing the same experience they had in Italy. "We picked an unusual corner location in an emerging neighborhood and made design decisions to respect the architecture and atmosphere of the space," Reitano says. "Because Americans use cafés differently, we made concessions by adding breakfast and lunch foods. Although we give the same attention to every part of our menu, our gelato will always be the heart of our business."

Of the three main gelato categories, the Capogiro founders chose to make the Northern regional Veneto style. "It's made with milk, a tiny bit of cream and occasionally egg yolks," Reitano explains. "We chose this style



Over 70 percent of Capogiro's menu uses produce.





The Reitano family includes, from left to right: John, Severin, Emanuel, Michaela and Stephanie.

because the geography of the Veneto area in Italy matches our Philadelphia area in climate and agriculture."

### An Integral Component: Produce

Produce is an integral ingredient for Capogiro. The business spends over \$100,000 annually purchasing produce. The owners purchase all produce locally, both directly from farmers as well as the Philadelphia Wholesale Produce Market. "We have relationships with local farmers with whom we purchase seasonal items," says Reitano. "All other produce is purchased from the PWPM, where we source items not grown locally, like pomegranates and Blood oranges, all citrus fruits, pineapples and avocados."

Capogiro chooses vendors carefully. Reitano says, "We want to have a relationship with the people selling these items. I have established trust with local farmers, and I realized I could do the same with vendors at the PWPM. Due to the amount of fruit we purchase, I was able to lower costs and raise quality. We especially love John Vena Inc. Vena's standards on care and storage are as strict as ours."

Additionally, Reitano encourages input from vendors who know what she likes and can use. She explains, "For example, James DeMarsh from Vena emailed me one morning to let me know delicious lychees were available, with rambutans on their way. This type of relationship goes beyond a simple business transaction. Of course, he wants my business, but he pays attention and cares. It is crucial, since product quality is the most important aspect of the

business. Our gelato and sorbetto require the best tasting unadulterated fruit. You can only find this when you know the people who are growing and selling your fruit."

Reitano's sourcing criteria focuses on taste. "We look for the best tasting product possible — period!" she emphasizes. "We're lucky to live in Philadelphia with access to some of the country's finest growing land. We purchase milk from a closed herd of grass-fed Scottish Ayrshire cows located 50 minutes outside of Philadelphia. I can find the best items grown outside the region through certain vendors at PWPM. These vendors care deeply about what they sell, just like my farmers."

The new PWPM's cold chain aspects have benefited Capogiro. "We usually order over the phone twice a week and send our own 14-ft. refrigerated truck to pick up," says Reitano. "Though we love sourcing directly with local growers, we have also encountered problems with quality due to breaks in the cold chain. Buying from the market has eliminated a lot of those quality issues."

Capogiro's 14,000 square-foot commissary kitchen in East Falls includes a full dairy. "We pasteurize raw milk and coordinate all the ingredients there," Reitano reveals. "Everything is shipped to the individual stores, which compile the ingredients and make the gelato."

### Dizzy Delight

Over 70 percent of Capogiro's menu uses produce in some form or another. They change the flavor offering by season and even by week, depending on what is

available. "We focus on taste, so when I know a great-tasting ingredient is available, we'll design a flavor around that ingredient," Reitano says.

Reitano doesn't consider anything out of bounds. For example, "Flavors that push the envelope are Orange with Red Beet, Mamey, Lime Cilantro, Blueberry Lemon Thyme, Heirloom Tomato... I could go on," she exclaims.

The enticing displays of the 24 colorful flavors have whole sections of the corresponding cut fruit or vegetable displayed on top. A rich, creamy Avocado Sorbet is unbelievably good, even if tastebuds don't quite compute avocado and dessert. Strawberry Tequila, Kiwi and Golden Margarita, made with fresh squeezed lime and orange juice, tantalize and refresh. Flavors highlighting specific varieties include *Uva di Moscato*, made with moscato grapes, and Champagne Mango. Fresh bananas are blended with rich chocolate to create *Banana e Cioccolato*. Other decadent flavors without produce include Nutella, Amaretto Macademia, and *Cioccolato Scuro*, a dark, delectable concoction.

Capogiro's customer base covers the entire spectrum of demographics. "Everyone loves to eat gelato," Reitano says.

The original intent was to offer a place with high quality products that is friendly to all. "Part of the fun for us was to create something adult, yet not intimidate kids," she explains. "We didn't want a sticky ice cream place. We wanted something more sophisticated, yet kid-friendly." **pb**



**CAPOGIRO CAFÉ**  
**MIDTOWN VILLAGE**  
 119 South 13th Street  
 Philadelphia, PA 19107  
 Tel: 215.351.0900

#### Hours:

Monday - Thursday:  
 7:30am to 11:30pm  
 Friday: 7:30am to 1:00am  
 Saturday: 9:00am to 1:00am  
 Sunday: 10:00am to 11:30pm

# Redner's Warehouse Markets: A Winner In The New Economy



Regional chain harnesses value, relationships and employee-focus to succeed in challenging times.

BY JODEAN ROBBINS

**R**edner's Markets Inc. is among the retail winners of the new economy, providing quality at a value price and attracting loyal clientele. A family- and employee-owned business, Redner's annual sales are close to \$900 million, with the chain numbering 42 supermarkets and 16 Quick Shoppes — and counting.

For Redner's and its customers, "value" does not mean cheap or dirty. The produce department is impeccably clean and merchandised with eye-catching products stacked on beautiful European tables. The chain's philosophy is to give the best product to customers at the lowest prices. "Our customers are looking for quality, flavorful products at affordable prices," states Dick Stiles, director of produce and floral for the Reading, PA-based chain. "We don't have the same margins as many other large retailers so we can pass good pricing on to our customers, yet still offer great quality."

The produce department is the main focus that draws customers. "Many customers today are looking to stretch their dollar," says Stiles. "However, they still want good

quality for that dollar. Quality in produce is the most important thing. If it doesn't taste good, the customer won't be satisfied no matter how inexpensive it was."

The Baltimore, MD, store PRODUCE BUSINESS visited, which opened in May 2012, boasts 51,000 square feet with a produce department of 4,000 square feet. Two striking refrigerated cases, one for fruit and one for vegetables, flank the department. The colorful fruit case includes not only bulk displays, but also a 15-ft. section of fresh-cuts and juices. The 60-ft. vegetable case is bordered by a separate 15-ft. refrigerated case with doors showcasing salad mixes and salad dressings. "We find the cases with doors maintain product quality much better for the bagged salads," reports Stiles. Sleek, moveable tables throughout the rest of the department hold both seasonal and staple produce displays. A 12-ft. refrigerated case at the door greets shoppers with a bounty of the season's freshest fruit.



Gary Schell, produce merchandiser, and Dick Stiles, director of produce and floral for the 58-store chain.

## Success Story

Redner's Markets is a family-owned (52 percent) and





**“Many customers today are looking to stretch their dollar. However, they still want good quality for that dollar. Quality in produce is the most important thing. If it doesn’t taste good, the customer won’t be satisfied no matter how inexpensive it was.”** —*Dick Stiles*

employee-owned business started in 1970 by Earl W. and Mary Redner with two stores in Leesport, PA and Red Hill, PA. Earl worked for the Grand Union Company for several years before venturing out on his own. Richard Redner, his son, currently runs the company, but 87-year old Earl still attends occasional meetings. While other family members hold prominent posts, the Redner family credits the 4,700 employees as being the heart of the operation.

Turnover rate is 3 percent or less. “Turnover is low because everyone feels that they’re a part of the business,” says Stiles. “We see the pride of our employees when they come to work and interact with customers. Many of our produce employees know our customers by name.”

The enthusiastic reception from value-oriented consumers has led to expansion — the chain has opened six stores since *PRODUCE BUSINESS* profiled them in 2006, three of them in 2012 alone. Even more impressive, Redner’s has managed to achieve growth and expansion without incurring any debt. Recently, *Progressive Grocer Independent* named Redner’s the winner of its 2012 Wholesaler-Supplied Outstanding Independent Award.

Redner’s operates in diverse markets. “We see our customer base becoming more and more diverse,” reports Stiles. “We have people looking for value across all demographic lines. This is the customer to whom we’ve always reached out. In more of our

stores now, we have a good mix of low-, middle- and high-income customers, and a variety of ethnic backgrounds.”

### Focus On Fresh

Redner’s averages around \$69 million in annual produce sales with the produce department contributing about 9½ percent to overall store sales. The chain carries nearly 600 SKUs and aims for the produce program to deliver an image of quality and freshness. Stiles explains, “Produce is impulsive and eye-appealing. We want to ensure our customers feel they can always find fresh, quality produce in our stores.”

Redner’s primarily sources product directly from growers/manufacturers but does utilize the Philadelphia Wholesale Produce Market (PWPM) for about 20 percent of its supply. “The variety we can pull from the PWPM is advantageous,” states Stiles. “Now with the new facility, we trust even more in the quality and freshness of what we get there. The market provides us with the opportunity to procure fill-in items, as well as many import items on an as-needed basis.”

A patron of the Philly market for over



34 years, Redner’s is delighted with the new market facility. “The cold chain benefits definitely make a difference,” states Stiles. “Our trucks can get in and out faster and it’s so much easier getting products around to the trucks. It has facilitated business for everyone.”

The benefits of the new market facility have led to increased confidence. “Our buyer used to go to the old market at least once a week because he’d want to see the stuff,” explains Stiles. “Now, he goes down about once a month. We have more confidence in ordering over the phone because of the cold chain benefits of the new market.”

Redner’s places great emphasis on its associations with suppliers. “Many of our vendors have grown with us from our 12-store chain 18 years ago,” says Stiles. “Our business has become more competitive, both for suppliers and retailers. Working together and being flexible is more important than ever.”

Redner’s services stores from its own distribution center. “Our first distribution center was acquired in 1978, in Reading, Pennsylvania,” explains Stiles. “The Redner family serviced the four-store chain from this location until the Maiden Creek facility opened in 1994.”

### Training For Success

While merchandising and display is a key part of Redner’s fresh image, even greater emphasis is placed on the role of



associates. "Everybody in the store is a salesperson," says Stiles. "We reinforce that they should be communicating with the customer. We encourage them to taste the products so they can discuss them with customers from a point of knowledge."

Redner's focuses on hands-on training for associates. "We prefer a one-on-one, hands-on training by current personnel for the new personnel," reports Stiles. "We also utilize some of the taped resources available from the industry associations for our part-time people. There is constant supervision of the department from all levels, especially since our employees are owners. Everyone takes their job very seriously."

Store promotion stresses messages of fresh, quality and healthy choices. To promote, the store does weekly ads in the local Sunday papers. The store underscores the value of direct promotion with customers. "Sampling is an important part of our promotion and education strategy," says Stiles. "When we sample, customers buy. We talk to customers to

help them understand what to do with the product. Customer education is important to being able to sell and to having satisfied customers."

The chain's Specialty Produce Program is a successful example of promotion and education working together. "With this program, we highlight products that don't normally have much movement," explains Stiles. "We start by having our employees sample the product, then we do customer sampling and have a prominent display on the retail floor. We talk it up to our customers. Through this, we've been able to turn some of these 'specialty' items into regular movers."

Food safety is another crucial training and education issue for the chain. "Food safety is a priority topic at every meeting," reports Stiles. "Any suppliers we deal with must have solid food safety programs and be certified," says Stiles. "This is yet another benefit of the new PWPM. There are no shortcuts in food safety."

Redner's trains all employees on food

handling and performs hourly temperature checks throughout the entire store. "All of our store managers and produce managers, as well as most of top management, are certified through the Food Marketing Institute's program. We're continually reviewing our processes and looking at how we can be even more food safe." **pb**



**REDNER'S MARKETS INC.**  
 7938 Eastern Avenue  
 Dundalk, MD 21224  
 Tel: 443-216-1138

24 hours a day  
[www.rednersmarkets.com](http://www.rednersmarkets.com)





# Philadelphia Wholesale Produce Market

COMPANY NAME	UNIT #	PHONE	FAX
A. Vassallo, Inc.	F-6	215-336-1984	215-336-7955
B.R.S. Produce	D-2 to D-4	215-336-5454	215-336-5220
Collotti & Sons	I-7 to I-8	215-389-3335	215-755-9616
Coosemans Philadelphia	A-7 to A-9	215-334-3634	215-334-3636
E.W. Kean Co.	D-1, G-1 to G-2	215-336-2321	215-336-1596
G & G Produce, Inc	F-7 to F-8	215-336-9922	215-336-9925
G.K. Produce	B-6	215-336-3551	215-336-3544
Hunter Bros. Inc.	H-8 to H-9	215-336-4343	215-336-4340
Jesse Pitt Company	I-9	215-336-5325	215-389-1490
John Vena, Inc.	F-1 to F-5	215-336-0766	215-336-2812
John W. Waleski Produce, Inc.	F-9	215-365-0160	215-365-0163
Kaleck Brothers, Inc.	B-5	215-336-3027	215-551-1083
Klinghoffer Bros.	C-8 to C-9	215-336-3800	215-336-5234
M. Levin & Company, Inc.	H-2 to H-5	215-336-2900	215-755-6757
Nardella, Inc.	G-4 to G-6	215-336-1558	215-336-5757
Norm & Lou's Cafe	C-1	215-336-4848	215-271-2416
Paul Giordano & Sons, Inc.	D-7 to D-9	215-755-7900	215-755-7160
Pinto Brothers, Inc.	G-7 to G-9	215-336-3015	215-336-5422
Procacci Brothers Sales Corp. / Garden State Farms	I-4 to I-6	215-334-1400	215-339-0974
Quaker City Produce Co.	B-1 to B-3	215-467-5000	215-336-4416
Ryeco, LLC.	C-3 to C-7, D-5 to D-6	215-551-8883	215-551-9036
Stea Brothers, Inc	B-7 to B-8	215-336-7806	215-336-2194
T. M. Kovacevich - Philadelphia, Inc	A-1 to A-6	215-463-0100	267-790-0442
USDA Inspection Service	C-2	215-336-0845	215-336-2051
Wick & Brothel, Inc.	G-3	215-336-2252	215-336-2255





# The Future of Fresh.



The Philadelphia Wholesale Produce Market is *the world's largest, fully-refrigerated wholesale produce marketplace*. In a secure and efficient buying atmosphere, customers shop the fully-enclosed facility sheltered from the elements. PWPM offers ample space for staging and loading product in an *unbroken cold chain environment*.



# Ten Best Ways To Sell More Spuds

As initial forecasts call for a potentially plentiful crop, variety will indeed be the spice that drives the potato category this upcoming season. **BY CAROL M. BAREUTHER, RD**



PHOTO COURTESY OF IDAHO POTATO COMMISSION

**The Kaneohe Commissary, in Kaneohe Bay, HI, won 1st place in the Military West category of the Idaho Potato Commission's annual retail display contest.**

**P**otatoes, not including sweet potatoes, are the leading vegetable crop in the United States, according to a May 28, 2012-published report by the U.S. Department of Agriculture's Economic Research Service. While over 50 percent of potatoes are sold to processors for chips, French fries and other products, the remainder is fed straight into the fresh market, where at retail, the category contributed 4.9 percent to produce department dollars during the 52 weeks ending May 26, 2012, according to the Nielsen Perishables Group, a West Dundee, IL-based fresh food consulting firm.

The secret to maximizing sales is to not trust shoppers to put potatoes on their shopping lists, nor position this seemingly commoditized staple as a perennial loss leader. Instead, follow the trend set by the apple and tomato categories and entice shoppers with expanded and higher margin offerings.

Randy Bohaty, produce director for B&R Stores, a 17-unit chain in Lincoln, NE, says, "It used to be just Russets and reds. These are still the two biggest sellers, but now there are also Yukon golds, Klondike reds and Dutch yellow potatoes that all add incremental sales."

## 1. Keep Russet Varieties King

Russets are king of the potato category, representing 65.8 percent of pounds and 54.7 percent of category dollars for the 52 weeks ending May 26, 2012, according to Nielsen Perishables Group data. Ralph J. Schwartz, director of category management and value-added marketing for Potandon Produce LLC, headquartered in Idaho Falls, ID, confirms this data, noting, "Russet potatoes continue to be the dominant type of fresh potato due to their versatility and availability."

U.S. shippers could soon follow their European and Canadian counterparts by promoting a variety of Russets with different taste profiles. According to Michael Gatz, director of business development for Rosholt, WI-based Bushmans' Inc., "This means consumers searching out, for example, Burbanks or Norkotah, not just Russets."

Today, 80 percent of Russet Burbanks go to foodservice, reports Jody Boline, vice president of foodservice sales and customer relations for Kingston & Associates Marketing LLC, headquartered in Idaho Falls, ID. "The Burbanks aren't pretty," she acknowledges. "They can have knobs and growth cracks, but they have

outstanding flavor and are better for mashing and frying due to a higher solids content. Norkotahs are wetter; you don't have to add milk if you're making mashed potatoes, but they are consistent in size, pack uniformly in bags and have a cleaner appearance. This is why retailers want Norkotahs."

Some shippers are already differentiating their Russets. For example, MountainKing, headquartered in Houston, TX, offers its King Rustics, a high-flavor yellow-fleshed Russet grown in the Rocky Mountains, in a new 5-lb. bag.

## 2. Add Reds, Yellows & Whites

Schwartz points out that demand for red and especially yellow potatoes has been increasing over the years. "This is for two main reasons," he says. "Growers and marketers are bringing more varieties to the retail shelf and have also brought a higher level of support to drive sales in these newer products, with price incentives and consumer support through recipes and cooking tips."

Kendra Mills, marketing director for the Charlottetown-based Prince Edward Island Potato Board, in Canada, agrees and adds,

## “Consumers buy reds and yellows with specific preparation methods in mind, for example, red-skinned potato salad. Retailers can encourage more of these incremental sales by offering recipes beyond Mom’s mashed potatoes.”

—Kendra Mills, Prince Edward Island Potato Board

“Consumers buy reds and yellows with specific preparation methods in mind, for example, red-skinned potato salad. Retailers can encourage more of these incremental sales by offering recipes beyond Mom’s mashed potatoes.”

Red-skinned potatoes represented 15.2 percent of potato category volume, up 4.6 percent, and 20.6 percent of dollars, up 1.8 percent, in the 52 weeks ending May 26, 2012, according to Nielsen Perishables Group data.

Paul Dolan, manager of Associated Potato Growers Inc., in Grand Forks, ND, says, “We’re seeing a trend in demand for smaller reds in foodservice. For example, three or four small

reds on a plate in place of a baked Russet. As a result, 60 percent of what we sell is A-size and 15 to 30 percent B-size. Only five to 10 percent are larger, premium-size sold bulk. Larger reds have a tough time competing with a Russet because consumers aren’t as familiar with the idea of baking them.”

Breeders are always striving to come up with better potatoes. Ted Kreis, marketing and communications director for the Northern Plains Potato Growers Association (NPPGA), in East Grand Forks, MN, reports, “A couple new varieties that are gaining popularity are Modoc (red) and Milva (yellow). Many retailers and consumers refer to all yellow potatoes as Yukon golds, but that variety is giving

way to other yellow varieties with fewer defects, including Milvas.”

Carola is a popular yellow-fleshed potato grown in Maine, adds Tim Hobbs, director of development and grower relations for the Presque Isle-based Maine Potato Board.

Yellow potatoes represented 6.1 percent of potato category volume, down 1.4 percent, and 9.6 percent of category dollars, up 11 percent, in the 52 weeks ending May 26, 2012, according to Nielsen Perishables Group data.

Sales of red and yellows are cutting into whites. “However, white potatoes do have a firm niche market on the East Coast,” according to Ken Gray, vice president of sales and marketing for the Farmingdale, NY-based Bushwick Commission Co. Inc., “especially in pocket areas like New England, Maine, New York, Pennsylvania and down to Virginia.”

White potatoes represented 10.2 percent of potato category volume, down 13.9 percent, and 9.8 percent of dollars, essentially flat at only a 0.1 percent increase, in the 52 weeks ending May 26, 2012, according to Nielsen Perishables Group data.

## IPC’s Annual Potato Lover’s Display Contest

Bigger is better, but that’s not all there is to winning the Idaho Potato Commission’s annual February display contest. Currently the largest produce display contest in the United States, the 21-year old promotion has seen entries soar to a record 2,521 in 2011.

Why? Seth Pemsler, vice president of retail, explains, “The beauty of a display contest is that sales increase anywhere from 20 to 150 percent, and that’s great in the dead of winter. Add to this that a massive display creates excitement and increases the time shoppers spend in the produce department. This leads not only to an increase in total produce sales, but also total store sales. The contest is about Idaho potatoes and our partner products, Molly McButter and Mrs. Dash, but it’s also much more than this, too.”

A high interest premium, matching cash prizes for category managers and buyers as well as winning produce managers, and dramatically improved POS materials are additional incentives that have enticed retailers nationwide to enter. For Leo DeLeon, this year’s top prize winner in the 10-plus cash register category and produce manager at a Ft. Pierce, FL-based Publix Super Market, a 1000-plus-store chain headquartered in Lakeland, FL, “It’s the one time of year when you can really show your merchandising talent,” he says, “and see what kind of sales you can generate.”

What does it take to win to win this highly competitive contest? Size does matter. Ann Schurtz, produce manager at the Marysville, OH, Community Markets, one of a 29-store chain headquartered in Findlay, OH, and first prize recipient in the 1 to 5-register category, built her display with two bins of 8-lb. mesh bags, 125 5-lb. bags and 6 40-lb. cases of Idaho Russets as well as six cases of 5-lb.

bagged Klondike Rose red-skinned, yellow-fleshed potatoes. “I waterfalled the potatoes to make the display look even bigger,” Schurtz says.

Similarly, Ronnie Roddenberry, winner in the 6 to 9 register category and produce manager at a Spring Hill, FL-based Sweetbay Supermarket, one of 105 stores in the Tampa, FL-based Delhaize American banner chain, used 60 to 80 5-lb. bags and 10 to 12 40-lb. cases of Russets to build his 12-by 4-ft. deep display. “That was just to get started,” Roddenberry says. “We sold that through and had to completely refill the display every six to seven days.”

The building of a big display is time-consuming, says DeLeon. “Since we still had to run our regular business, it was myself and one assistant that worked from 8 to 10 p.m. over a couple of nights.”

Co-workers can be essential on the creative side too, adds Roddenberry. “We all put our heads together to come up with the theme, even the store manager,” he says. “For example, one of our part-timers who works at the school came up with the theme: ‘1-Potato, 2-Potato, 3-Potato, More.’”

Creativity is indeed crucial, says Schurtz. “I read and researched as much as I could about the Idaho potato industry over the last year. I knew they were doing the Big Red Truck promotion, fuel was in the news and restoration shows are popular on TV, so I put a positive spin on it and tied it together in a ‘Fuel Up with Idaho Potatoes’ theme. That’s the fun part.”

Does the extra effort really pay off? “Absolutely,” says DeLeon. “In two weeks, we saw potato sales double what they were the same time last year and we left the display up for the whole month.”

pb





## WHAT'S WRONG WITH THIS PICTURE?

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

[IdahoPotato.com/Retail](http://IdahoPotato.com/Retail)



PHOTO COURTESY OF IDAHO POTATO COMMISSION

### 3. Set Out Specialty Potatoes, Too

Specialty types of potatoes continue to increase in volume and varieties, reports Randy Shell, vice president of marketing for RPE Inc., in Bancroft, WI. “Retailers are expanding their potato assortment to include more specialty potatoes. Over the next five years, there will continue to be a large focus on specialty potatoes driven by consumer interest,” he predicts.

Lance Pool, vice president of sales for Eagle

Eye Produce Inc., in Iona, ID, says, “There’s a big push on red-skin, yellow flesh potatoes.”

“Purple potatoes,” adds Potandon’s Schwartz, “have been on the radar both in the United States and abroad for the past few years.” While purple potatoes represented less than 1 percent of potato category dollar sales during the 52 weeks ending May 26, 2012, according to Nielsen Perishables Group data, volume is up

31.2 percent and dollars up 46.7 percent.

Fingerlings, however, have lost some of their momentum. Don Ladhoff, retail program consultant for the Denver, CO-based U.S. Potato Board, reveals, “Volume is down 6.6 percent and dollars down 2.5 percent over the last 52 weeks. I think this is due to consumers’ interest in other types of specialty potatoes and less education available about how to prepare them.”

MountainKing is one grower/shipper that is attempting to provide instant usage information by calling its 1½-lb. bag of three varieties of fingerlings, “Steakhouse Roasters.” The segment that has seen real growth in the specialty category has been the smaller creamer or C-sized potatoes. Mac Johnson, president and CEO of Category Partners LLC, in Denver, CO, remarks, “They were typically marketed in bulk sections, but now, several shippers, including ourselves, are marketing the items in 1- to 2-lb. bags and they’ve taken off. More consumers are seeing that the smaller potatoes can be prepared in a number of different ways and quickly, which is becoming more important with today’s hectic lifestyles.”

Indeed, volume sales of gemstone or petite potatoes grew 49.1 percent and dollars increased 57.6 percent during the 52 weeks ending May 26, 2012, according to Nielsen Perishables Group data, although this slice represented less than 1 percent of category dollars and volume.

“Retailers can help continue the sales growth of the specialty potato segment by giving the items sufficient space in the displays and adding them to their circular promotional efforts,” recommends Johnson. “As with any new item, making the consumer aware of them is key to gaining trial.”

### 4. Offer Organics

Organics, like specialty potatoes, are still a small percentage of the total potato business. Ryan Wahlen, general manager at Aberdeen, ID-based Pleasant Valley Potato Inc., says, “It’s difficult to grow a true organic potato on a large scale. Yields are down and you can’t store them long term, so they aren’t the most profitable.”

However, organic potatoes have a very loyal customer base, according to NPPGA’s Kreis. “These customers are willing to spend more money for a premium product, which also carries over to other departments,” he states.

Organically grown potatoes represented 0.9 percent of category volume, up 2.4 percent in volume, and 1.4 percent of dollars, up 8.4 percent, according to Nielsen Perishables Group data for the 52 weeks ending May 26, 2012.

**PLEASANT VALLEY POTATO: QUALITY POTATOES FROM QUALITY GROWERS SINCE 1910**

THERE IS AN AREA OF SOUTHEAST IDAHO where all the best qualities of nature combine to produce the finest potato anywhere. Here in Pleasant Valley, the potatoes grow in fertile rows of soil and rich volcanic ash, in a perfect balance of nutrients. And cool nights follow warm, sunny days, providing an ideal climate for growth and texture. At Pleasant Valley, Inc. we give the great Idaho potato the care it deserves. We know how important consistency is to you. That's why Pleasant Valley's potatoes have been grown, packaged, and sold for decades by the same farming families whose ancestors broke ground in what was to become Pleasant Valley nearly a century ago. Third generation growers operating an ultra modern packing and shipping operation in the most fertile valley in the state—what a "pleasant" idea. The Pleasant Valley brand is available in all packaging configurations.

**PLEASANT VALLEY POTATO INC.**

CALL: (208) 397-4194  
- RYAN WAHLEN -  
rwahlen@pleasantvalleypotato.com



our wide variety of products  
will make you more

# Green



**Green  
Giant.**

*Fresh*

[www.klondikebrands.com](http://www.klondikebrands.com)  
mobile app: [mrecipes.klondikebrands.com](http://mrecipes.klondikebrands.com)  
twitter: @KlondikePotato  
[facebook.com/klondikebrands](https://www.facebook.com/klondikebrands)  
[youtube.com/klondikebrands](https://www.youtube.com/klondikebrands)

**Potandon Produce L.L.C.**  
800-767-6104



Green Giant® and related character are trademarks of General Mills. Used under license. ©2011 General Mills



**5. Carry A Variety Of Bulk And Bag Sizes**

There's an opportunity to expand bulk potato offerings. USPB's Ladhoff points out, "Reds and yellows both index higher than Russets in their 'healthier' halo effect with consumers. Therefore, we recommend having two bulk offerings and making one of them reds."

However, the bulk of potato sales are bagged. In fact, bags represented 84.4 percent volume and 74.8 percent of dollars for the 52 weeks ending May 26, 2012, according to

Nielsen Perishables Group data. The two benefits of bags are customer convenience in picking up the product and education on the back of the pack, especially for the specialty varieties. B&R Store's Bohaty adds, "In terms of bag size trends, 20 pounds use to be the value pack, then it was 10 pounds. Now it's down to eight pounds with five-pounders being the most common pack size."

Five-pound bags of potatoes represented 43.6 percent of dollar sales for the 52-week period ending May 26, 2012, according to



PHOTO COURTESY OF MOUNTAINKING

**MountainKing's half-pallet sized bin used to merchandise the company's Steakhouse Bakers is designed to look like a grill and catch consumers' attention.**

Nielsen Perishables Group data. Comparatively, 10-lb. bags represent 14.7 percent of sales, while three-pounders and 1½ pounders represent 4.6 and 4 percent, respectively, growing at 16.1 percent and 19.4 percent.

Some retailers are adding SKUs of smaller bags, says Bushwick's Gray. "One of our retail customers has added a 3-lb. red A-size, in addition to a 5-lb. red."

Ron Skinner, owner and president of Idaho Fresh Produce Inc., in Idaho Falls, ID, adds, "We're getting more requests for three- and five-pounders in reds and yellows. Smaller packages offer more turns, better rotation and fresher product."


With bag sizes decreasing, it is important for retailers to educate the shopper to pick up a second or third type to maintain volume sales in the category, asserts USPB's Ladhoff. "For example, if they're not buying 10 pounds, then we need to encourage them to pick up a 3- or 5-lb. bag of Russets, plus a yellow or red, or even a tray pack. Tray packs increased 12.1 percent in dollars and 4.3 percent in volume last year, although they represent only 1.2 percent of category dollars and 0.6 percent of volume. Why? The pack offers convenience and it is cleaner than bulk because the potatoes are pre-washed."

On the other hand, Scott Philips, director of sales and marketing for the Nonpareil Corp., head in Blackfoot, ID, contends bag size may trend upward this year. "Bag size is dependent on the price point of the raw product. High potato prices means we'll see more 2-, 3- and 4-pound bags, while cheaper prices — like we may see this year — mean more 8-, 10- and 15-pounders."


According to Pleasant Valley Potato's

# Add a Little Sun

for the best  
potatoes on earth



**SUN SUPREME**  
SUN GLO OF IDAHO, INC.



**Sun-Glo of Idaho has earned a reputation of producing the highest quality potatoes available anywhere. Experience the dependability and exceptional quality of Sun-Glo! Call today!**

**Weston Crapo**  
weston@sunglo-idaho.com  
Phone: 208-356-7346  
Cell: 208-313-6304

**Jill Cox**  
jill@sunglo-idaho.com  
Phone: 208-754-7573  
Cell : 208-313-6350

[www.sungloidaho.com](http://www.sungloidaho.com)

(208)356-7346





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

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

To nominate someone, please fill out this form by March 1, 2013, and fax back to 561-994-1610.

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

**ABOUT THE NOMINEE:**

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

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

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Nominee's Professional Achievements:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Nominee's Industry/Community/Charitable Activities:

\_\_\_\_\_  
 \_\_\_\_\_

**ABOUT THE NOMINATOR:**

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

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

For more information email: [info@producebusiness.com](mailto:info@producebusiness.com)

Wahlen, another trend will be large size Russets in a larger bag for the club store market. “A 4-oz. potato was the minimum size bagged. Now we have retailers that require a 10-oz. minimum in an 8- or 15-lb. bag, something that differentiates it from a 10-lb. bag with 4-oz. potatoes sold in conventional retail. We’ve also had requests for a 6-oz. minimum in a 4- or 5-lb. bag.”

In terms of bag design, Seth Pemsler, vice president of North American retail for the Eagle, ID-based Idaho Potato Commission

says, “We’re seeing more combination mesh and poly bags. It’s a more expensive bag, but the mesh allows better breathability and the poly is great for graphics. Several major retailers are moving to this.”

**6. Build Good Looking And Good Selling Displays**

At B&R Stores, all bulk or loose potatoes and all bagged product is displayed together and all in the same area. Bohaty says, “The idea is to create an impression with the bulk and

**“Retailers are expanding their potato assortment to include more specialty potatoes. Over the next five years, there will continue to be a large focus on specialty potatoes driven by consumer interest.”**

— Randy Shell, RPE Inc.

offer convenience with the bags.”

RPE’s Shell says, “We like to see a destination potato set with all varieties merchandised in one area. This gives consumers the best choice when they are shopping the category. This also provides the best chance for consumers to trade up to unique varieties that will bring a higher ring at the register, while giving the consumer a premium product by trying something new,” he explains. “We want to bring more users back to the potato category who may have switched to lower cost grocery items like pasta and rice through destination sets.”

Based on 2012 research conducted by the Nielsen Perishables Group on behalf of the USPB, five is the average number of potato types offered at retail. “This translates to a core three or four types, plus one to three additional or specialty types,” says USPB’s Ladhoff. Some retailers have as many as 10 to 12 types. When you add bulk and bag and different bag sizes, the average number of SKUs hits the double-digit.”

“Russets are the base of the business and the most highly planned purchase, so place them at the far end of the display,” Ladhoff recommends, “Reds, yellows and specialty potatoes are impulse purchases, so place them earlier in the traffic flow.”

Jim Ehrlich, executive director of the Monte Vista-based Colorado Potato Administrative Committee (CPAC), advises, “Displays should be full, well organized and rotated daily and covered at night to prevent greening.”

“Some retailers,” adds Pleasant Valley’s Whelan, “incorporate a burlap sack into the display as if the potatoes were spilling out. This allows retailers to build a larger display and keep a certain amount covered at the same time to prevent greening.”

Potatoes are ideal to cross promote. Duane

*The New Shape of Delicious™*

COME SEE US AT THE PMA BOOTH #4518

Distinctively delicious, gourmet fingerling potatoes. Shapes and textures that create fun, unique recipes and colorful dishes. Hand-grown in Idaho's® rich volcanic soil—and hand-picked. Your customers can rest assured they are enjoying the finest, highest-quality potatoes available.

208 436 8164 P.O. Box 606, Heyburn, ID 83336  
southwindpotatoes.com



Maatz, executive director of the Antigo-based Wisconsin Potato & Vegetable Growers Association (WPVGA), adds, “This is especially the case if a recipe is provided. Items like seasoning packets, cheese or salsa go well together.”

Category Partner’s Johnson agrees, acknowledging, “When there is a protein on the plate, potatoes are far and away the No. 1 side dish. We’ve got to get more creative in our promotional efforts and support more excitement in how we market potatoes.”

## 7. Educate Shoppers

There are two types of potato consumers, contends MountainKing’s Pope. “First is those that are value-driven and who want to spend as little as possible or stretch their food dollar the furthest. This is a core and fundamental consumer. The second, and it encompasses a huge number of shoppers, are hungry for information about different types of potatoes and how to prepare them.”

Ladhoff agrees: “Give consumers recipes and meal ideas of what to do with potatoes on-pack, via tear pads, ad circulars, QR codes and social media. One of the biggest missed opportunities is signage. Retailers typically put type, size and price on a sign. That won’t inspire consumers to buy and buy more.”

MountainKing offers a variety of ways to help retailers educate consumers about potato usages at point-of-sale. One is a recipe for 8-minute Grilled Potatoes affixed to a Quik-Lok tag. Others are a number of high-graphic display bins. For example, there’s a half-pallet sized bin designed like a grill to merchandise the company’s Steakhouse Bakers; a full-pallet sized bin devised to look like an oven to display Steakhouse Roasters; and a full-pallet sized bin with larger-than-life photos of prepared mashed potatoes for Butter Golds.

## 8. Deliver The Nutrition Message

It’s important to promote the nutritional benefits of potatoes. U.S. and Canadian provincial potato organizations have sought to get this word out in an Olympic way. For example, in 2010, the Colorado Potato Administrative Committee signed Olympic skater, Rachael Flatt, to endorse the state’s spuds. New this year, three-time Olympic middle distance runner, Suzy Favor Hamilton, will promote Wisconsin Potatoes, and Olympic gold-medalist in the Women’s Bobsleigh, Heather Moyse, will promote potatoes as part of a nutrition diet for the PEI Potato Board.

One medium-sized potato provides 110 calories, an excellent source of vitamin C,



PHOTO COURTESY OF BUSHWICK COMMISSION CO. INC.

Bushwick Commission partnered with the Maine Potato Board and Wal-Mart to promote Maine-grown potatoes, along with other locally grown items.

good source of potassium and vitamin B6, and is fat-, cholesterol- and sodium-free.

## 9. Promote, Promote, Promote!

The potentially large crop should give retailers the opportunity to promote often and aggressively. Potatoes are advertised nearly every week at B&R Stores, says Bohaty. “We’ll target a different type each time. A promotional price is a good way to introduce a specialty type because it lowers the risk of purchase for consumers,” he says. “It’s an incre-

mental sale because consumers always tend to buy the staple.”

A balance of promotions supports the entire category. RPE’s Shell agrees, noting, “The largest dollar and volume is still driven by 5- and 10-lb. Russets, but we are seeing a significant increase in promotions that include bargain, mainstream and specialty segments. The retailers that have a balanced approach will capture more sales and margin.”

Price should also follow suit. Category



Community Market in Marysville, OH, won 1st place in the 1-5 cash registers category of the Idaho Potato Commission's annual retail display contest.

PHOTO COURTESY OF IDAHO POTATO COMMISSION

Partner's

Johnson says, "When 5-lb. Russets sell at \$1.99 and red 5-pounders at \$4.49, guess what sells and doesn't sell. The pricing relationships between the varieties have to be taken into consideration."

There are three times of the year that most retailers promote potatoes heavily: Thanksgiving, Christmas and Easter. "However," says Shell, "we are seeing more retailers advertise specialty potatoes during non-peak times to

capture more sales in the category."

Ken Nabal, president of Kingston & Associates Marketing, recommends basing promotions around seasonal usages. For example, he says, "red and golds in the summer for salads and grilling, and Russets in the fall and winter for baking, soup and stew-making."

Another potent promotional theme is locally grown. Bushwick's Gray recollects, "We did a promotion with the Maine Potato Board and Wal-Mart. There was a big display featuring Maine-grown potatoes and other Maine-produced items with the *Get Real, Get Maine* theme. It was a multi-faceted promotion with special prices, a store-tour for kids led by a registered dietitian from the Produce for Better Health Foundation and live remotes from the local radio station that proved very successful."

**10. Use Foodservice Cues To Plan For Future Sales**

Top trends in foodservice often translate to retail merchandising and cross-merchandising opportunities. Don Odiorne, vice president of foodservice for the IPC, shares his take on the next culinary crazes for potatoes.

1. **Honest Food:** "Restaurant chefs are

serving honest authentic food," says Odiorne. "This translates into, for example, frying the whole potato with skin on."

2. **Potatoes as Carriers:** The spud is serving as a base for other ingredients. Examples are potatoes mashed with cauliflower to provide a different texture and flavor, and hashed brown potatoes combined with vegetables like Brussels sprouts, mushrooms and fresh asparagus or meats such as shredded pork, chicken or beef, or upscale versions with truffles, lobster, shrimp and crab.

3. **Lighter Salads:** "Move aside mayonnaise," says Odiorne, "we're seeing potato salads made with lighter vinaigrettes and incorporating lots of other fresh ingredients such as herbs and vegetables."

4. **Layers of Flavor:** Good-to-the-last-bite dishes are explosions of flavor. Examples are mashed potatoes combined with roasted corn, sautéed onions and garlic. Or, cheese fries with fresh cilantro and salsa. Or, oven-roasted potatoes tossed with Buffalo hot sauce and served atop a cool bed of field greens.

5. **Creative Comfort Food:** The 50s-style meatloaf and mashed potatoes has morphed into meatloaf cupcakes topped with scalloped, mashed or cheesy mashed potatoes. **pb**

**OUR ROOTS RUN DEEP**  
Quality Potatoes Since 1934

**BUSHWICK COMMISSION CO., INC.**  
Main office: Farmingdale, NY  
Jack, David, Ken, Brad and Marc  
(800) 645-9470  
www.bushwickpotato.com

Generations of Maine's local, family-owned farms have put quality potatoes on kitchen tables nationwide for more than 200 years. And we're still going strong today.

**MAINE POTATOES**  
Maine potatoes. Humble spuds. Huge impact.

744 Main Street, Rm 1 • Presque Isle, ME 04769  
Phone: (207) 769-5061 • mainepotatoes.com



# Celebrate with us in September, Fruits & Veggies—More Matters Month!

Follow our top 10  
ways to showcase  
fruits and veggies.

These ideas are great to use not only  
in September, but year-round!



10  
9  
8  
7  
6  
5  
4  
3  
2  
1

Join a Fruits & Veggies—More Matters Twitter party, the 1st Wednesday of each month.

Share 30 ways to use fruits and vegetables in 30 days.

Spread the "all forms matter" message through social media initiatives.

Highlight a fruit or veggie of the month through in-store displays and signs.

Support Team Classroom and make a positive impact on the school children in your community.

Use PBH's free marketing tools to help change the way Americans eat.

Shop [PBHCatalog.org](http://PBHCatalog.org) for nutrition education products you can use in the store and in outreach efforts.

Add a link to your website for [FruitsAndVeggiesMoreMatters.org](http://FruitsAndVeggiesMoreMatters.org).

Place the Fruits & Veggies—More Matters logo on labels and packaging.

Join the fight against obesity by supporting Produce for Better Health Foundation!



Visit [PBHFoundation.org](http://PBHFoundation.org) for more marketing ideas to promote fruit and vegetable consumption.

# Consistency Counts When Merchandising Ripe Pears

Educating consumers about ripened pear programs and keeping a consistent supply will boost sales year-round. **BY PAULA HENDRICKSON**



PHOTO COURTESY OF PEAR BUREAU NORTHWEST

**Pear-o-Rama promotions, which highlight many varieties of pears, introduce consumers to new types of pears and boosts overall consumption.**

**P**re-ripened — or conditioned — pears aren't exactly new to the market, but since the pear industry established conditioning standards, growers have been educating retailers on the appeal, and value, ripe pears offer. According to Roger Pepperl, marketing director at Stemilt Growers LLC, in Wenatchee, WA, roughly a decade ago, the company's founder, now deceased, was approached about the possibility of ripening pears. "He said instantly, 'Let's do it. Let's put in some rooms to ripen fruit. Makes sense to me — you can't buy it if you can't eat it.' It's that simple," Pepperl says.

The conditioning process is essentially a high-tech version of the natural way one might ripen fruit. Instead of waiting for the fruit to naturally release ethylene, growers use ripening rooms where they control the temperature and introduce ethylene for a minimum of 24 hours. Once the ripening process has been jumpstarted, additional ripening can be controlled with cold storage for most varieties other than Bartlett.

"The pear industry has been working with retailers to get more conditioned pears on supermarket shelves," says Kevin Moffitt, president and CEO of the Pear Bureau Northwest (PBN), headquartered in Milwaukie, OR.

"Within the past two years, PBN's Board of Directors passed a motion providing a minimum time, temperature and ethylene treatment for conditioning pears."

Loren Queen, marketing and communications manager at Yakima, WA-based Domex Superfresh Growers LLC, contends now that the industry has set standards for the process of conditioning pears, it's just making certain that consumers know they have a ripe — or near-ripe — piece of fruit on the store shelf.

The term "conditioned" was adopted for industry usage, but the more easily understood "ripened" is preferred when discussing the process with consumers. "The pear industry in California has been leading the ripening initiative for more than 15 years with the goal of bringing ready-to-eat pears to market, and in educating the retail trade on how to ripen and handle pears," shares Chris Zanobini, executive director of the Sacramento-based California Pear Advisory Board (CPAB). "We have dedicated resources and research to ready-to-eat pears at retail."

## Increasing Presence In Produce

According to Moffitt, industry studies indicate consumers prefer conditioned pears. "Retail studies have shown sales increases of better than 17 percent when they carry condi-

tioned pears," he reports. "We estimate that around 35 percent of the Northwest pears on supermarket shelves are being conditioned."

Still, some growers feel there's still not a huge demand for conditioned pears. Yet. "Time will tell how well that's going to succeed," says Kevin Steiner, marketing director at Sage Fruit Co. LLC, headquartered in Yakima, WA. "We shouldn't rely solely on pre-conditioned pears and claim it's the solution to the whole industry, or that it's going to guarantee a good experience for the customer, because that's not always the case." He contends if you ask 20 people to describe their idea of a ripe pear, you'll get 20 different answers. He understands that — as with bananas — some consumers want to buy and eat pears the same day, but others might want to buy pears that will ripen later in the week. "Ultimately, it's up to the consumers as to how they like to eat their pears," he says.

Companies that remain bullish on conditioned pears see far more pros than cons. "I always tell people when I go out to sell a ripened pear program, 'What would you think of the meat department if they sold steaks with the caveat that consumers couldn't eat them immediately, but had to wait until next week?'" Stemilt's Pepperl says. "Nobody would buy the product."

Pepperl notes that retailers opting for



UNMISTAKABLE

# Pear-fection

YAKIMA FRESH is your source for a full line of sweet and succulent, premium NORTHWEST PEARS, including a conditioned Anjou program. From perfect pears to a wide variety of delicious WASHINGTON APPLES, YAKIMA FRESH is completely customer-driven, with an experienced team dedicated to providing you with individual attention and WORLD-CLASS SERVICE.



COME VISIT US  
IN ANAHEIM,  
PMA BOOTH #968

800-541-0394  
[WWW.YAKIMAFRESH.COM](http://WWW.YAKIMAFRESH.COM)



PHOTO COURTESY OF DOMEX SUPERFRESH GROWERS LLC

Matching pears with complementary wines and cheeses educates consumers on new ways to enjoy the fruit, apart from a simple snack.

ripened pear programs could see a 10 to 20 percent increase in sales. “When you increase sales, you increase turns, and when you increase turns you reduce shrink,” he adds.

Suzanne Wolter, director of marketing at Selah, WA-based Rainier Fruit Co., is even more optimistic. “Ripe pears are still new for many consumers, and have the potential to change the category,” she says. “Consumers are looking for flavor, and conditioned D’Anjou pears are the perfect fit. A perfectly ripe D’Anjou pear is the juiciest, sweetest pear eating experience any foodie will have.” Wolter adds that some retailers executing ripe pear programs have more than doubled their sales. “We believe conditioned pears hold a significant growth opportunity for the category overall, most specifically for D’Anjou.”

While some growers condition Bartletts early in the season, few make it a steady practice, since cold storage doesn’t do much to retard the ripening process of Bartletts — the only variety that turns color and ripens rapidly, like bananas. “When somebody is buying bananas, if they’re extremely ripe and starting to show brown spots, the average consumer won’t buy a whole hand of bananas,” Steiner says. “They’re going to pull a couple off and buy those.” He says the same applies with extremely ripe pears. Fortunately, the same isn’t true of Anjou, Bosc and other varieties. Even so, growers are taking the time to educate retailers on how to effectively handle conditioned pears, while also teaching consumers how to tell when a pear is ripe.

### The Learning Curve

Growers pack conditioned pears with care to ensure their fruit reaches produce departments safely. Then they rely on retailers’ employees to handle the pears properly to avoid scarring. “Unfortunately, once it gets to the store, it’s out

of our control, but we try to educate store personnel on the fact that pears are very susceptible to scarring from fingernails, or by dividers on the display,” says Bob Mast, vice president of marketing and food safety at Columbia Marketing International Corp., (CMI), based in Wenatchee, WA.

Rainier’s Wolter says education is the biggest challenge faced by pear producers. “Advising receiving crews, warehouse personnel and in-store produce associates regarding proper handling is crucial,” she says. “We have held seminars to educate independent store owners about proper handling and merchandising, and we’ve coordinated training programs in conjunction with the Pear Bureau.”

PBN’s Moffitt sees another area for improvement. “The biggest challenge is the communication between buyers and sellers to ensure that adequate lead time is given before expected arrival,” he pinpoints. “It will take a day or two to properly condition the pears. Shippers condition on demand, so it’s important to plan ahead and work with the shipper-supplier for proper delivery and arrival.”

Stemilt’s Pepperl agrees that consistency is crucial. “Don’t bring in a load that’s ripe, and then the next week say, ‘Shoot, I forgot to order more in time,’ and bring in a non-ripened load,” he asserts.

Because consumers are still adjusting to the concept of ripe or pre-ripened pears, it’s important to help them learn when a pear is ready to eat. “Consumers haven’t had a ripe pear option on a store shelf, in many instances, ever,” acknowledges Queen of Domex. “As it’s gaining acceptance from our retail buyers, we’re seeing more and more of it, so what we need to do is educate the consumer as to what a ripe pear is, how to check the neck for ripeness, and what to do with that pear once it’s reached your ideal

level of ripeness.”

Why is consumer education so important? “Once consumers understand that there are ripe pears for them available at retail, volume picks up tremendously,” Queen says. “Anywhere from a 30 to 50 percent increase in volume movement can be expected.”

### Grabbing Consumers’ Attention Consistently

One might assume that signage would be an effective way to tout the benefits of ripened pears, but Stemilt’s Pepperl says that’s not necessarily the case. “We’ve actually done some studies on in-store signage about ripened pears, and we have found they didn’t help. Consistently having ripened fruit is what works,” he says. Stemilt’s study placed signs mentioning only the price with unripened green pears and with ripened pears. There also was a sign with ripened pears showing the price and also stating they were ripened.

“Both ripe versions sold 20 percent more than the unripened,” Pepperl says, “but neither of the ripened versions — one with the sign saying they were ripened, or the one without it — did better than the other.” Sales didn’t really pick up until a few weeks had passed. “We realized that consumers responded to the consistency in coming back week after week and seeing ripe pears.”

Wolter agrees that consistency is crucial. “Retailers need to institute and maintain a consistent ripe pear display at all stores to drive consumer confidence, taste expectations and repeat purchase behavior,” she declares. However, she discourages retailers from selling both ripened and un-ripened pears. “Displaying conditioned with non-conditioned fruit will sabotage retail efforts of building a successful program.”

Since many retailers face space restrictions and prefer easy-to-use displays, growers try to make it easy for them when possible. One caveat with conditioned pears is they shouldn’t be stacked too high, since that could damage pears on the bottom of the stack, according to PBN’s Moffitt.

“Using the Eurobox as a display feature is a really great technique,” Pepperl says. “I know all stores can’t do that, but if you can, display out of the box and it’s one-touch — just slip the box down and rotate on top of it.” He says Stemilt also offers secondary display bins as a POS option. “They allow you to spread out your pears. I think pears need the additional attention, so that’s important. Anything you can do with secondary displays helps.”

CMI’s Mast maintains pears need added



Orchard Fresh



Every Time



Apple Display



Hand Cart Shipper



High Graphic Full Box



High Graphic Half Box



Pear Display

**The freshest fruit and POS material in the industry!**  
Team up with CMI and find out more about our exclusive varieties, robust organic program, exclusive import program, and award-winning POS.

**Premium Apples, Pears, Cherries + Organics**  
cmiaapples.com 509-663-1955 Wenatchee, WA PMA Booth 4202





support to draw the attention of younger consumers. One way to lure new consumers is by offering ideas of how they can incorporate ripe pears as more than a simple snack. That's one reason CMI tried something different with shipper displays. "We have a wine and cheese deal on our display that shows certain pears go better with different types of cheese and wine," Mast says, "We're trying to educate consumers that there's more than just a red pear and a green pear, and when they're matched with certain foods it really enhances the eating experience."

Domex and CMI are two of the many suppliers that use tote bags as another merchandising option. "The pear tote bag does a couple things," says Mast. "Consumers will fill up the tote bag, which increases consumption. But many times, when a retailer has a full display of pears and places full tote bags in front — especially when they're on ad — a lot of customers will simply grab the entire tote, which is usually four to five pounds of pears. That really gives them some incremental sales. But it's also a takeaway for consumers."

#### Going The Extra Mile

Colorful displays of red and green pears can only go so far in attracting consumer

interest. Cross-promotions with apples, cheese or nuts, and hand-outs — or QR codes that link to recipes online — can offer consumers ideas for new ways to use pears. But sometimes simply promoting pears with prominent displays or in circular ads can do even more.

While pears are now available throughout most of the year, Sage Fruit's Steiner says the best time to push pears remains fall and winter. "Typically, pears contribute anywhere from 1 to 2 percent of total produce department dollars, depending on the time of year," he reveals. "It's closer to 2 percent in the fall and winter, so that's our best time to capitalize."

When Washington Bartletts hit the market, Steiner encourages retailers to set up prominent pear displays. "That's the time to capitalize on the extra sales — impulse sales," he remarks. Since Bartletts are perhaps the most recognizable pears to consumers, he says establishing Bartlett displays in late summer is a good way to kick off fall promotions.

Stemilt's Pepperl suggests retailers try a "Pear-o-Rama" promotion that highlights many varieties of pears, well beyond Anjou, Bartlett and Bosc. Include Comice, Forelle, Star Crimson, Concorde, Seckel — whatever

is ripe — even Asian Pears, if desired. "It's exciting when you can bring in multiple pears at the same time," he says. "You still sell a ton of Bartletts and a ton of Anjous, but when you have these variety pear ads you sell a lot of the other varieties and more Bartletts and Anjous than you would." He says it creates a festival-type atmosphere that alerts consumers to the fact that there are several types of pears from which to choose.

Domex's Queen says there's another time-tested way of introducing people to different varieties. "Good, old-fashioned sampling does the trick," he says. Queen remarks the company did a considerable amount of Bosc sampling in the past season, and it dramatically increased volume. "Sampling is a critical component for increasing pear sales," he continues. "Sampling a ripe Bosc, Comice or Forelle will really increase sell through."

Experts agree that whatever the promotion the key to building pear sales can be summed up in one word: consistency. Says Pepperl, "The most successful retailers are the ones who do multiple pear ads each year. One a month until the end of January, then advertise Bartletts twice a month for September and October. Do that, and you can't go wrong." **pb**

**BORTON FRUIT**

**Exceptional Quality and Service for 100 Years**

**Premium Washington Apples \* Pears \* Cherries**

**bortonfruit.com 509-966-3905**



# We Expect Growth.



*"Together, dad and I have expanded our business from a small family-run operation to a multimillion dollar company. Meeting our next benchmark depends on our ability to quickly uncover opportunities with current customers and find new, reliable markets. To do this, we need timely and accurate information on the industry; that's why we rely on Blue Book Services."*

## Blue Book Services' tools to help you grow:

- Real-time updates on customers and competitors
- Key account analytics
- Affordable and targeted print and online advertising
- Ways to identify new market segments
- Articles on specific regions and supply chain topics via *Blueprints*

For 110 years, companies have trusted Blue Book for the information they need to achieve safe and profitable business growth.

How can we help your company grow? Contact us today.

- Blue Book Online Services (BBOS): [www.producebluebook.com](http://www.producebluebook.com)
- **NEW!** BBOS Mobile (for all smart phones): [m.bluebookservices.com](http://m.bluebookservices.com)
- Print publications: *Blue Book* and *Blueprints* journal—call to obtain your copy

Blue Book Scores help you predict credit risk on your key accounts. Ask us for details.



**Blue Book Services** | *Profit from Experience*

630.668.3500 | [info@bluebookservices.com](mailto:info@bluebookservices.com) | [www.producebluebook.com](http://www.producebluebook.com) | [m.bluebookservices.com](http://m.bluebookservices.com)

# Atlanta Retail Snapshot



With a bustling wholesale market and plenty of chain retailers and small independents, Atlantans have their fingers on the pulse of the produce industry.

## BY JENNIFER KRAMER

It's no surprise that the city of Atlanta, GA, is often referred to as "The Big Peach." Boasting a bustling produce scene, the nickname is indeed a good match. With a bounty of local produce within the city's 8,448 square miles — along with the state's successful Georgia Grown marketing program — and plenty of international imports making their way to other parts of the country, Atlanta is an important hub.

Locals have plenty of options when picking their fresh produce. In addition to the Atlanta State Farmer's Market in Forest Park and the plethora of pick-your-own farms spread around the state, Atlantans also have many brick-and-mortar retailers to choose from, such as Publix Super Markets, Kroger, and Wal-Mart, which occupy the top three market shares, at 25.8, 23.7 and 19.2 percent, respectively. Despite the fact that the three aforementioned retailers have the highest market shares in the city, only one of

them — Publix — actually falls within the top three operators with the most number of stores, operating 143 stores in the area. Low-volume-produce retailer, Dollar General, has the most stores at 163, and its competitor, Family Dollar Stores, ranks just under Publix at 140.

The 5-million-plus inhabitants of Atlanta are certainly passionate about their grocery purchases, spending just over \$14 billion annually at local supermarkets, which amounts to 5.6 percent of their income.

The demographics of the area prove what we already know: Atlanta is a melting pot of ethnicities, all of whom are looking for a taste of home. Just over half the population of the city — 55.5 percent — consider themselves Caucasian. African-Americans comprise 32.3 percent of the population, while Asians make up another 4.8 percent. Thanks to the area's independent grocers, the





Kroger Atlanta makes an effort to procure locally grown produce as soon as the Georgia season begins.

Department of Agriculture [who retired in January, 2011] got everyone from schools to chain stores to support the locally grown movement under the 5-A-Day promotional banner. Current Commissioner Gary Black continues to push Georgia-grown produce through *A Taste of Georgia* promotions.

At our business, in addition to handling fruit from around the world, we also focus on southern produce items including South Carolina and Georgia peaches, Georgia cantaloupe and Muscadine grapes from

Paulk Vineyards [based in Wray, GA].

**Scott:** The traditional supermarkets in the Atlanta area are very involved in the local push, especially Kroger. It does a great job of promoting the Georgia Grown program, along with the individual farmers who harvest crops for Kroger and its Georgia stores.

**Are some Atlanta supermarkets more upscale and specialty oriented?**

**Garmendia:** While The Produce

widely diverse population of Atlanta has no trouble finding many products from home that could not otherwise be found in a traditional supermarket.

Andrew Scott, sales and procurement manager of Atlanta's General Produce Inc., acknowledges that each store in the Atlanta area has its own unique blend for attracting customers. "Atlanta is a melting pot with many different ethnicities living in and around our large city," he says. "This has paved the way for different formats that cater to each of these groups. For example, there are quite a few Asian and Korean supermarkets making a name for themselves in this marketplace and they are all doing quite well. They carry unique items that you generally do not see in traditional supermarkets, but are commonplace for these ethnic groups."

In addition to Scott, *PRODUCE BUSINESS* spoke with two of Atlanta's busiest wholesalers, Chris Garmendia, general manager of the Produce Exchange of Atlanta Inc., and Mike Jardina, CEO of J.J. Jardina Co. Inc., to get a snapshot of the local produce retailing scene.

**Are all Atlanta retailers heavily involved in the local trend?**

**Garmendia:** As a wholesaler on the Atlanta Farmer's Market, I can tell you that we try to get our hands on as much locally grown produce as possible when the Georgia items are in season. The same goes for Atlanta retailers, who tend to work with the local growers on a direct basis whenever possible.

**Jardina:** Several years ago, former Commissioner Tommy Irvin of the Georgia

- Full Line Distributor
- Retail Support Programs - DSD
- Repacking Operation
- Cross Docking
- Southeast Satellite Cross Docking Facilities
- Forward Distribution
- Company-Owned Transportation
- Primus Labs Platinum Vendor

For more information regarding the services we provide,  
 Call 1-800-782-5833 Ext. 169  
 Atlanta State Farmers' Market  
[www.generalproduceinc.com](http://www.generalproduceinc.com)

Exchange does not handle many specialty items, there is certainly a trend by Atlanta retailers of selling more upscale produce items. This is being driven in large part by requirements for more accountability and traceability relating to food safety.

**Jardina:** When it comes to upscale and specialty produce items, chains such as Whole Foods and Fresh Market are more on the upper tier.

**Scott:** Absolutely. We have a unique blend of stores in metro Atlanta, both large and small. You can see this illustrated in the market share chart. Some are national chains, while others are local independent.

**Are the stores with Everyday Low Pricing strategies in produce the “winners?” What do any of these stores do best with regard to produce?**

**Garmendia:** Everyday Low Pricing strategies are found primarily within the large retail supermarket chains, rather than with the smaller independents with whom we work. Many of these smaller chains are

# Atlanta Market Share Information

## COMPANY

Publix Super Markets Inc.: LAKELAND, FL
The Kroger Co.: CINCINNATI, OH
Walmart Stores Inc.: BENTONVILLE, AR
Costco Wholesale Corp.: ISSAQUAH, WA
Sam’s Club: BENTONVILLE, AR
Ingles Markets Inc.: BLACK MOUNTAIN, NC
All American Quality Food Inc.: STOCKBRIDGE, GA
Whole Foods Market Inc.: AUSTIN, TX
Target Corporation: MINNEAPOLIS, MN
BJ’s Wholesale Club Inc.: WESTBOROUGH, MA
Dollar General Corp.: GOODLETTSVILLE, TN
Aldi Inc.: BATAVIA, IL
Trader Joe’s Co.: MONROVIA, CA
Family Dollar Stores Inc.: MATTHEWS, NC
Wayfield Foods Inc.: ATLANTA, GA
SUPERVALU Inc.: EDEN PRAIRIE, MN
H Mart: LYNDHURST, NJ
The Fresh Market Inc.: GREENSBORO, NC
Other operations

# J. J. JARDINA CO., INC.

QUALITY FRUIT SINCE 1925



**APPLES YEAR ROUND, SOUTH CAROLINA PEACHES,  
STRAWBERRIES, CITRUS, GRAPES, MANGOES AND LIMES**

**Larry Jardina • Mark Jardina • Bob Goins**

**Phone: 404 366-6868 • Fax: 404 366-1386**

**E-mail: sales@jjjardina.net • www.jjjardina.com**



Atlanta State Farmers Mkt.  
16 Forest Pkwy., Bldg. S • Forest Park, GA 30297-2015



TRADE NAMES	TOTAL STORES	CURRENT AREA STORES	ATLANTA AREA SALES (CBSA)	CURRENT MARKET SHARE
Publix Super Market	1,046	143	3,686,746,297	25.8%
Kroger; Kroger Marketplace	3,226	129	3,397,024,099	23.7%
Walmart Supercenter	3,016	62	2,746,213,528	19.2%
Costco Wholesale	598	8	785,068,896	5.5%
Sam's Club	610	13	710,799,508	5.0%
Ingles	203	42	707,073,931	4.9%
Food Depot	27	22	325,925,926	2.3%
Harry's Farmers Market/ Whole Foods Market	315	8	256,705,702	1.8%
SuperTarget	252	12	249,142,857	1.7%
BJ's Wholesale Club	192	5	216,796,875	1.5%
Dollar General	9,937	163	177,720,818	1.2%
Aldi	1,215	26	156,213,992	1.1%
Trader Joe's	383	6	140,992,167	1.0%
Family Dollar	7,023	140	113,365,015	0.8%
Super Low; Wayfield Foods	9	9	92,890,000	0.6%
Save-A-Lot	2,413	6	72,755,906	0.5%
H Mart	38	5	70,789,474	0.5%
The Fresh Market	113	7	68,639,336	0.5%
		200	332,089,496	2.3%

Source: Chain Store Guide

in Atlanta and its suburbs and cater to specific ethnic groups. A major chain store may earn 10 to 15 percent of its sales from the produce department, while the stores we work with have 30 to 40 percent of their business based in fresh fruits and vegetables. The small chains focus more on produce than the larger chains.

**Jardina:** Stores that have Everyday Low Pricing strategies tend to do well in the Atlanta marketplace. Specifically, Quality Food



The Whole Foods in Atlanta makes its mission clear to customers in various way all around the store.

lent job with large displays that catch consumers' eyes.

When it comes to differences in produce departments between the large chains and smaller independents, larger operations tend to be more rigid in their approach, as each store tends to be more of the same. However, with the smaller retailers, produce departments lean more toward merchandising produce aimed at their specific demographics and community where the operation is located. For example, if they are located in a heavily Hispanic populated area, they will have a large Hispanic section of produce with bigger displays.

**Scott:** No, I wouldn't necessarily say the "winners." I would say that with time-starved and on-the-go consumers, getting in and

out of the store quickly with the items they need is important. Sure, you have your ad items to draw in customers, but proximity to the store where you live and customer service are still important factors in the shopping experience.

pb



Placing grapes within Whole Foods' berry patch is a unique way to merchandise the commodity.

Depot [based in Marietta, GA] does a great job, not only on price, but also with quality. They are unique in this respect. These types of stores do best in merchandising. They do an excel-

# Plentiful Pistachios

Healthy and convenient, pistachios are on trend with today's lifestyles. **BY JULIE COOK RAMIREZ**



Pistachios are a perfect answer for on-the-go, health-conscious consumers looking for a healthful snack.

**F**or consumer goods marketers, finding new ways to get their products into the hands of consumers is the primary challenge. When you are dealing with a commodity, that challenge is heightened because there tends to be an absence of excitement within many commodity categories. Take nuts, for example. Most consumers will grab a handful at their favorite restaurant or local watering hole. Many people go so far as to serve nuts at holiday get-togethers or parties. But few consumers view the category as exciting. At least that was the case until the pistachio industry got its groove on.

These days, pistachios are everywhere. You can't walk into a grocery store without stumbling upon a big, colorful stand-alone display. Even Miss California 2012, Leah Cecil, is often photographed munching on a few pistachios. Thanks to the efforts of the Fresno, CA-based American Pistachio Growers (APG), formerly the Western Pistachio Association, pistachios are now the official snack of the USA Water Polo team. The group also provided pistachio sample packs to participants of Germany's popular Ketterer Bike Marathon. APG banners were hung at the race's start and finish areas and powerful pistachio messages — such as “Stay fit with pistachios!” — were broadcast throughout the race. The popular tree nut has

also made its way to the big screen in the hands — and mouth — of Seth Rogan's pistachio-popping affable alien in the hit comedy *Paul*.

According to data from Chicago-based Information Resources Inc., for the 52-week period ending April 25, 2012, domestic pistachio sales volume is up 43 percent over last year and dollar sales are up 46 percent over the same time period. As APG's executive director, Richard Matoian, points out, that surge in sales occurred despite an increase in the price per pound at retail, further demonstrating that consumer demand for pistachios is strong.

What's more, adds Joseph Setton, vice president of domestic sales at Commack, NY-based Setton International Foods Inc., sales of pistachios even exceeded those of almonds at retail during the fourth quarter of 2011, according to IRI.

According to Maria Brous, director of media and community relations at Publix Super Markets Inc., in Lakeland, FL, pistachios are one of the fastest growing snack items in the category, with volume literally tripling over the past four years. Likewise, pistachio sales have grown at Solvang, CA-based New Frontiers Natural Marketplace, a five-store chain specializing in local and organic produce. Produce director John Odahara says interest in pistachios, even organic ones, have crossed socio-economic lines and are no longer solely

the domain of the more highly educated, higher income consumer.

So exactly why are pistachios so hot right now? According to those in the industry, they are the perfect embodiment of everything today's on-the-go, health-conscious consumers want. Protein-packed and portable, they boast a wealth of health benefits including high levels of vitamin B6, phosphorous, manganese and thiamin. And with just 100 calories for every 30 pistachios, they provide a guilt-free alternative to chips, cookies, or other less-than-healthy snacks.

The scientific proof of the healthfulness of pistachios is abundant. According to a study conducted at the Beltsville Human Nutrition Research Center in Beltsville, MD, eating pistachios may help alter levels of potentially beneficial bacteria in the gut. Another study, undertaken by the School of Family and Consumer Sciences at Eastern Illinois University, in Charleston, IL, resulted in a concept dubbed “The Pistachio Principle.” That is, eating in-shell pistachios helps slow consumption and reduce calorie intake because the shells of the pistachios provide important “visual cues” that translate into reduced calorie consumption. When consumers hear such findings, they are all the more likely to opt for pistachios the next time they are looking for a tasty snack.



# GREEN. IT'S THE NEW GOLD.



 **AMERICAN**  
PISTACHIO GROWERS



[We bet the other snacks  
are **green** with envy.]

**Congratulations** to the USA Water Polo women's team and Coach Adam Krikorian for their Olympic gold medal. Fueled by our growers' pistachios during training and while in residence at the Olympic Village, they fought tirelessly to earn the #1 spot in the world. Our members funded nutrition training and pistachios for healthful snacking. We're proud to call USA Water Polo Women's and Men's Teams our Brand Ambassadors.

Get to know American Pistachio Growers and see our list of member suppliers at [AmericanPistachios.org](http://AmericanPistachios.org).

#### About American Pistachio Growers

American Pistachio Growers is a voluntary trade association that supports the USA Water Polo Teams and other Brand Ambassadors, funds nutrition research, conducts important market research, fight barriers to fair trade, and works collaboratively with our member processors to execute world-class promotional efforts globally.





**“Snacking decisions are more frequently based on not only taste, but also on the health and nutrition of the product. California pistachios rank at the top in taste and are one of the highest in health and nutrition.”**

— Teresa Keenan, Keenan Farms Inc.

“Snacking decisions are more frequently based on not only taste, but also on the health and nutrition of the product,” says Teresa Keenan, marketing manager of Keenan Farms Inc., headquartered in Avenal, CA. “California pistachios rank at the top in taste, and are one of the highest in health and nutrition.”

**Domestically Delicious**

Virtually all pistachios sold in the United

States are grown in California, which ranks just below Iran in terms of pistachio production, according to Marc Seguin, vice president of marketing, North America for Wonderful Pistachios, a product of Paramount Farms Inc., located in Los Angeles, CA. While that limited production area would result in issues of seasonality, and times of the year when domestic product is simply not available, that is not the case for the pistachio industry, which harvests its entire 500 million pound crop each August and September and then stores the nuts in silos until the time comes to roast, package and ship them out to consumers.

As a result, the category has been able to achieve true year-round availability without having to resort to imports. That has helped pistachio marketers and retailers alike in terms of boosting year-round consumption, which wasn't always the case.

While pistachio sales continue to spike during traditionally strong times, such as Christmas, Thanksgiving, New Year's and Super Bowl Sunday, for example, experts say the category has transcended any semblance of seasonality and has become a truly year-round favorite. “Pistachios used to be viewed

as a holiday nut, but as consumers have learned about the health benefits of pistachios, they have incorporated pistachios into their daily eating lifestyles,” says Setton of Setton International. “Now you find in-shell pistachios used as an everyday pick-me-up snack and shelled pistachios featured in many salads, main courses, desserts and other standard food applications.”

To help consumers create innovative ways to incorporate pistachios into their dining occasions, APG and its member organizations have taken to featuring recipes on their websites. Gourmet dishes like Sea Bass with Thai Curry and Pistachios, American Pistachio Crostini, and Pistachio Mint Crusted Rack of Lamb provide ample opportunities for consumers to flex their culinary muscles and experiment with pistachios in the kitchen.

Likewise, pistachio producers have introduced a number of new products designed to give a new kick to an old favorite. Santa Barbara Pistachios, for example, has come out with an entire line of flavored pistachios: Onion Garlic Roast, Crushed Garlic, Lemon Zing, Hickory Smoke, Chile Lemon, Hot Onion Garlic and Red Hot Habanero. The



Santa Barbara, CA-based company sells all certified organic nuts which are hot air-roasted, thus retaining the natural oils and naturally sweet flavor of the nut, according to Gail Zannon, who owns the company with her husband Gene. The company also eschews chemical dyes, bleach, and chemical flavorings, resulting in what Zannon calls “the healthiest pistachio possible.”

The health proposition is also the driver behind Setton’s new products, Pistachio Chewy Bites, which feature whole pistachios with

dried cranberries, held together with agave and brown rice syrups with a touch of sunflower oil and sea salt. Certified gluten- and dairy-free, each Chewy Bite is individually wrapped to keep them fresh and make them a convenient on-the-go snack. The product packaging also features the Heart Healthy designation granted to pistachios by the American Heart Association. “The Heart-Check mark has helped consumers live a healthier lifestyle by helping them quickly and easily identify heart-healthy foods,” says Setton. “Shoppers rely on



Setton's Pistachio Chewy Bites are a new way to enjoy pistachios as a dairy- and gluten-free snack.

**producebusiness**  
 MARKETING • MERCHANDISING • MANAGEMENT • PROCUREMENT

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

**The International Business Magazine Serving  
 the Fruit, Vegetable and Floral Industries.**

**For subscription information, please visit  
[www.producebusiness.com](http://www.producebusiness.com)  
 or call 561-994-1118**

the Heart-Check mark to make choosing heart-healthy products easy and convenient.”

It’s also incumbent upon retailers to make it easy and convenient for consumers to pick up pistachios in the store setting. Keenan of Keenan Farms recommends building large, vibrant, eye-catching displays that promote the healthfulness of pistachios by connecting to the heart-healthy messages they have been seeing in the media. Likewise, Wonderful Pistachios’ Seguin suggests retailers create “lots of points of interruption throughout the store.” He likes to see displays in produce, in the lobby, and “anywhere else people might think they are going to find tasty snacks.”

That’s exactly the approach taken by Publix, where Brous says consumers find bins of pistachios in high traffic areas throughout the store.

According to APG’s Matoian, pistachios are not always on someone’s list, so it’s crucial that retailers make sure people encounter them on each and every trip to the grocery store. “Pistachios are an impulse purchase, so the more retailers can place product in displays in the produce aisle, end-caps, and in the check-out area, the more you will see product fly off the shelves,” he says.

**pb**

# DOLLARS AND PERCENTS



**T**hroughout your career, you are influenced by various people who give you advice and wisdom that was hard-earned in the school of experience. These people provide you with these tidbits of wisdom to increase your knowledge and allow you to solve problems using this information later in your career. I was fortunate to have true retail merchants provide me with many key points to remember and

ponder as I faced serious challenges throughout my career. These key points became the maxims that I used to govern all my actions in the retail arena.

Today's pressure-filled environment, with an unblinking focus on margin percentage by upper management, is a classic case that involves one of the key maxims of a successful retailer. Today, many retailers are no longer "merchants," but have become financially driven under the influence of many people brought in from outside the grocery store industry. This includes people from the consumer goods area, where much emphasis is placed on profitability and margin. Margin, expressed as a percentage as a goal, has been rising steadily over the past 10 years. This is mostly due to the fact that there is no other department in the retail grocery store that can generate as much

profit quickly as the produce department. In the world of retail grocery store management, where every four weeks is judged critically, the "28 day dash for cash" has become a major priority. When the Boss comes to you and asks you to make up profit so the company can hit its projections, you are placed in a predicament with no winning strategy in sight. The first thing you do to raise your percent of margin to get these additional profit dollars is to raise prices. Given the overall nature of produce items and consumers' recognition and perception of what the price should be is hazy at best (except for the 10 most purchased items), especially when this pricing is increased in the short term.

The second way to increase the margin percentage is to get a lower cost. Many retailers put additional pressure on their suppliers to lower their prices so they can maintain their retail price and generate the additional percentage of margin required by upper management. This method is the better of the two, as you are not artificially raising prices. However, it takes more time than the first method.

The key retail maxim that is relevant to this situation is one that I

was told on numerous occasions by experienced retail merchants who were very successful in maintaining their profitability over the long term. That maxim is "dollars are what the banks want; you can't take percentages to the bank!" This may seem to be a very simple and basic fact, but it is one of the guiding principles of retail. The arbitrary raising of prices or beating down costs to make a margin percentage not only creates difficulties in the department, but also causes one other egregious pitfall — a negative effect on top line sales dollars. In fact, this arbitrary raising of prices causes a decline in top line sales dollars, therefore affecting the key aspect of what you need to take to the bank: profit dollars!

This is a dangerous path to start down as you begin to continually chase those elusive profit dollars by reducing costs and raising prices, thus further reducing top line sales. Eventually, you reach a point where you can no longer raise prices or cut costs and remain remotely competitive. This creates a situation where, in one four-week period, all the sins of the previous periods come to roost and create a profit deficit.

This has happened time and time again in many retailers across the country, yet some retailers have been able to avoid this by simply observing the maxim of "dollars not percentages" go to the bank. These retailers do not fall into the downward spiral of chasing margin percentage and utilize the action of driving top line dollars (sales) to generate the needed

(and sometimes more) profit dollars.

This is not an easy course to follow as it flies in the face of the financial/accounting mindset in retail grocery store management. It takes quite a commitment on the part of the entire company to adopt a strategy of driving top line sales and not managing by margin percentage. The rewards may come slowly in the short term, but will pay big dividends in the long run. A funny thing happens when you drive top line sales; you are able to generate the needed profit dollars with the same or lower prices and subsequently lower margin percentage. This is due to the momentum being built up by pricing competitively and concentrating on selling more produce. This philosophy adds tremendous freedom to the produce operation in terms of promotion and presentation of the department. This creates the proverbial "win-win" proposition for everyone. By adopting this type of strategy, the company benefits by increased sales and profits and the consumer wins by being able to purchase quality produce at a true value.

**pb**

**The arbitrary raising of prices or beating down costs to make a margin percentage not only creates difficulties in the department, but also causes one other egregious pitfall — a negative effect on top line sales dollars.**

**By Don Harris**

Don Harris is a 38-year veteran of the produce industry, with most of that time spent in retail. He has worked in every aspect of the industry, from "field-to-fork" in both the conventional and organic arenas. Harris is presently consulting on all subjects of retail, category development and sales strategies, among others. Comments can be directed to [editor@producebusiness.com](mailto:editor@producebusiness.com)





## ADVANCE YOUR CAREER

*Apply for the Tip Murphy Scholarship for Leadership Excellence*

Recognizing that strong leaders drive the future of the produce industry, the Tip Murphy Scholarship for Leadership Excellence supports emerging leaders in our industry by advancing their careers through the development of leadership skills.

The scholarship covers the cost of registration and associated hotel expenses for one of a growing number of PMA and PMA Foundation programs & events including:

- PMA's Fresh Summit
- PMA's Foodservice Conference & Exposition
- PMA Foundation's Emerging Leaders Program

Applications will be reviewed anonymously by a Scholarship Advisory Committee. All applicants will be notified by the PMA Foundation Executive Director of the selection decision.

**WEDNESDAY,  
NOVEMBER 7, 2012**  
Application Deadline

### UPCOMING NETWORKING OPPORTUNITY

**Young Professionals  
Reception**

Friday, October 26  
PMA's Fresh Summit  
5:00 p.m. - 6:30 p.m.



#### FOR MORE INFORMATION.

Contact Alicia Calhoun at [acalhoun@pmafoundation.com](mailto:acalhoun@pmafoundation.com)  
or call +1 (302) 607-3057.

# PRODUCE TRADE BETWEEN TWO GREEN GIANTS: AN ANALYSIS OF FOOD IMPORTS AND EXPORTS BETWEEN THE UNITED STATES AND EUROPEAN UNION



## Steady Trade

It's not surprising that the United States and the EU have had a long history of produce trade, but what's fascinating is how consistent the trade has been. For the past five years, the two have had relatively unchanged import and export values of produce with one another. Since 2007, U.S. Census data shows that annual U.S. imports of produce from the European Union have hovered

around \$300 million in total value, while U.S. exports to the European Union have been around a steady \$2 billion annually.

At a closer view, in 2012, U.S. produce exports to the European Union are almost dead-on when compared to last year's numbers. January through June exports in 2011 and 2012 had a value of \$1.1 million, with 2012 exports dropping a minute 0.04 percent.

U.S. imports of produce from the Eurozone share a similar story. So far this year, imports from the European Union were fairly close to values in 2011, although slightly up in 2012, by 3 percent (January through June).

## Almonds, Clementines And More Almonds

Along with the consistent value of imports and exports over the years, the top-traded produce items have also remained the same. Clementines, kiwi, and almonds have been among the top imports the United States receives from the European Union for the past five years. Halfway through 2012, the United States has imported \$16 million worth of the Clementines from the European Union; this makes up almost 12 percent of the total produce sent across the pond.

Not far behind Clementine imports are kiwifruit and almonds, which have made up 9 and 8.5 percent of U.S. produce imports, respectively. The majority of this produce comes from the countries of Spain, the Netherlands, and Italy.

Moving to the export side, the United States sends triple the produce to the European Union than it imports from them. The biggest share of those exports also happens to be almonds! Almonds have been the top produce export, by value, from the United States to the European Union since 2007.

The European Union consumes over 200 million kilograms of almonds every year from the United States with an average price per kilogram in 2012 (January through June) of \$4.57. The price is up 30 cents from last year's average of \$4.26; although, it's not far from the average price back in 2007 of \$4.47 per kilogram.

What's interesting about U.S. exports to the European Union is that most of it is transported from the West Coast, mainly the port of San Francisco. In 2011, the port of San Francisco accounted for 55 percent

of U.S. exports to the European Union and of those exports, 57 percent were solely almonds.

## Spotlight on E.U. Countries

Spain, Germany, and the United Kingdom import the large majority of U.S. produce exports and account for 57 percent of the total trade value.

Spain was the top importer of U.S. produce last year. The country's import values topped over \$456 million. Germany accounted for almost 20 percent of U.S. exports last year and so far in 2012, it has taken in 21 percent of the U.S. produce sent to the European Union. In the first six months of 2012, Germany has passed Spain as the top E.U. importer of U.S. Produce.

The United Kingdom is the third largest E.U. importer of American produce. U.K. fresh produce imports have increased in 2012 (January through June) by 8.4 percent, compared with the same time in 2011 and up 1.2 percent from 2010. The country's large amount of produce imports is due to its short growing season from weather conditions and Northern latitude. In terms of vessel weight, the majority of food the United Kingdom brings in is fresh. Sweet potatoes, almonds, apples, guavas and mangos make up a large chunk of the American exports. However, the country has also imported its fair share of non-fresh items. Between January and June of this year alone, the United Kingdom has imported 6.2 million kilograms of raisins and over 1.7 million kilograms of prunes.

Another notable importer of U.S. produce is the Netherlands; it is the fourth largest importing country of American crops, yet the eighth most populated nation in the European Union. For the past two years, total value and volume of U.S. produce exports to the region have been quickly rising. Dutch import volume of U.S. produce rose 16 percent in 2011 from 2010, and 19 percent from 2009. Although for 2012, imports are down compared to the last year at this time by 26.5 percent. The trend for produce trade between the two countries has been up and down over the years, so it would not be too shocking to see a drop in U.S.-Netherlands trade volume and value in 2012. Looking at products, the nut family made up 72 percent of the American exports, by value, to the Dutch last year. That is over \$217 million and adds up to 39 million kilograms of the bite-size delights.

## What Lies Ahead?

The future of produce trade between the European Union and United States is looking to hold strong through the coming years. Total values of E.U. exports to the United States are heading back up to pre-recession levels and volume has also climbed upward since 2008 and 2009. In 2011, U.S. export values to the European Union were the highest seen in five years and total volume has steadily inclined since 2009. So far, 2012 matches up with the trade activity of 2011. It may even be possible to find this trade recap in the dictionary under unswerving. **pb**

By Cori Rogers

Cori Rogers is Marketing and Business Development Associate at Zepol Corporation, Edina, MN





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

## ***What is a Pundit?***

*Merriam Webster* — a person who gives opinions in an authoritative manner usually through the mass media.

## ***What is the Perishable Pundit?***

Just ask our readers —

“... providing substance, thought-provoking opinions and, at the very least, waking up many.”

“Excellent commentary on the status of regulators’ positioning on food safety for the produce industry.”

“... bringing some common sense to the E. coli issue of late.”

“... a lively and engaging forum for discussion of issues relevant to the produce industry.”

“... thought-provoking commentary with robust dialog.”

“... keeping the debate going...”

“... kind of an investigative reporter...”

“... extensive coverage leaves no subject without great healthy discussion, and no topic is too sacred.”

“Your courage in stating your opinion and your reaction to criticism is respectful and honest.”

“... focused on the complicated issues relating to food safety in produce.”

“... teaching the industry quite a bit about the power of the internet.”

“... an education for those of us who are still refining our computer skills.”

“... a valuable service.”

“... the most important journalism in the industry, and now we get them every day... you have become the ‘voice’ ...”

“Your analysis of the state of leadership in the produce industry past, present, and future is right on!”

“... a welcome part of the day that stimulates the mind and encourages us to think about and consider a different point of view.”

“... writing with heart and insight...”

“... one of my ‘must-read’ e-mails everyday!”

“Our industry has traditionally not been associated with being ‘deep thinkers’, and you have definitely become our Thought Leader.”

“... a resource that delves deeply into issues impacting our industry. Kudo’s!”

“Keeps us thinking.”

“... spreading your abundant common sense on a daily basis.”

“... most refreshing.”

“The Pundit does, in fact, incite reactions and cause good thinkers to think harder and longer on topics that are current and newsworthy.”

Catch the Perishable Pundit every day. Go to [www.perishablepundit.com](http://www.perishablepundit.com) click on the “Subscribe Today” button and receive a daily copy of Jim Prevor’s Perishable Pundit via e-mail.

# EUROPEAN FLAVORS, THE “WORLD TOUR” OF EUROPEAN FRUIT & VEGETABLES, VISIT CANADA, RUSSIA, JAPAN AND THE USA



The European fruit and vegetables tour of the world's most important produce trade fairs starts all over again. The first stage? North America, where, in April, the Canadian SIAL event took place.

After four years of successful initiatives, a new European Flavors campaign launched, promoting top quality fresh and processed products. This dual-purpose European program promotes the quality and tastiness

of European fruit and vegetable products in various non-European countries (including Canada, the United States, Russia and Japan), and at the same time, spreads awareness of individual products and their seasonality, their nutritional and organoleptic characteristics and how they relate to environmental sustainability.

European Flavors, which has now reached the second year of its second three-year cycle, is a project with an overall budget of 3.6 million Euros, co-financed to the tune of 50 percent by the EU, 20 percent by the Italian Government and 30 percent by Italian companies associated with the CSO (Italian Market Gardening Services Center). These companies include Apoconerpo, Apofruit, Afe, Gran-

frutta Zani, Kiwisole Latina, Lagnasco Group, Opoveneto, PempaCorer, Mazzoni, Made in Blu, Naturitalia, Oranfrizer, Conserve Italia, Orogel, and Salvi. Italy is a world leader in market gardening, and participates in this project with the goal of intensifying trade with the United States and the other nations targeted in the campaign.

The first stage of the 2012 European Flavors tour was the SIAL event in Canada. This took place in Montreal in May, and Italian pears, kiwis, oranges and plums were at the center of a series of promotional initiatives aimed at Canadian consumers. Canada is extremely important for European fruit and vegetable products, as the country is a hefty importer of high quality produce, including pears, apples, oranges, grapes, kiwis and plums, for a total value near 20 million Euros in 2011 (Source: ICE export Italy/Canada). This market's importance reflects that of the Canadian edition of SIAL, which is one of the most significant in the annual sector calendar, offering operators a chance to discover novelties and meet the biggest companies in the area.

Thanks to European Flavors, Canadian consumers were able to

appreciate the outstanding organoleptic and gustatory characteristics of Italian fruit and vegetables in tasting events for selected products held in various Canadian cities. In Toronto and Montreal, for example, tasting events were held directly in points of sale of Canada's biggest retail chains, and shoppers were able to appreciate the extraordinary quality of Italian pears and plums, known the world over for their unmistakable taste and flavor.

And the show must go on! The next stop will see European Flavors present in Russia from September 17 to 20, at the World Food event in Moscow, one of the most important International Trade Fairs in the world devoted to the food sector. Russia is by no means a random choice, being a highly strategic market for Western Europe's fruit and vegetable products.

According to statistics presented at the Food Forum / Fruit & Vegetable Business of Russia 2011, Russia imports over 1 million tons of vegetables and over 2,000 tons of fruit from the EU, of which Italy accounts for 100,000 tons of fruit and vegetables worth almost 90 million Euros. These extremely positive figures demonstrate that the Russian market is ready to receive an increasing volume of produce distinguished by elevated levels of quality and safety.

After the visit to Moscow, European Flavor's next stop will be the USA,

further testimony to the growing importance of the North American market for Italian market garden exports. This market accounts for a significant portion of Italy's fruit and vegetable exports, amounting to almost 18,000 tons in 2011, for a total of 18 million Euros. Various companies involved in the European Flavors project also will be present at the PMA Fresh Summit in Anaheim, CA, a major event in the fresh foods sector to be held from October 26 to 28, 2012. This exhibition, whose previous edition drew 18,500 visitors from 50 different countries, is a vital occasion for considering innovation in the fresh fruit and vegetables sector, as well as an extraordinary opportunity for doing business at a global level. Indeed, European Flavors is one of the instruments that Italy uses to intensify its trade with the United States.

In the European Flavors stand, attendees will be able to arrange meetings with the Italian companies participating, to exchange information and talk business.

And from January 20 to 22, 2013, visitors to the San Francisco Winter Fancy Food event will be able to explore European Flavors specialties, along with over 80,000 top quality food and wine products.

pb

**“Various companies involved in the European Flavors project also will be present at the PMA Fresh Summit... a vital occasion for considering innovation in the fresh fruit and vegetable sector.”**

By Alessandra Ravaioli

Alessandra Ravaioli is marketing and communications representative of Fruitecom, based in Spilamberto, Italy



Receive supplier information fast using the **PRODUCE BUSINESS** Information Showcase. Here's How:  
Contact the advertiser directly via the Website, e-mail, or phone listed in the ad.

COMPANY	PAGE #	PHONE	WEBSITE
Agri-Packing Distributors, Inc.	60	520-761-3816	www.agripacking.net
Alpine Fresh	70	305-594-9117	www.alpinefresh.com
American Pistachio Growers	125	559-475-0435	www.americanpistachios.org
Anthony Vineyards, Inc.	126	661-858-8300	www.anthonylvineyards.com
Associated Potato Growers, Inc.	111	800-437-4685	www.apgspsud.com
Ayco Farms, Inc.	70	954-788-6800	www.aycofarms.com
B.R.S Produce Co.	86	215-467-7180	
Baero North America, Inc.	5	314-692-2270	www.baerousa.com
Baero North America, Inc.	Floral 8-9	314-692-2270	www.baerousa.com
Basket Ease	39	952-447-3168	www.basketease.com
Best Fruit Now	86	215-378-0556	www.bestfruitnow.com
Blue Book Services	119	630-668-3500	www.producebluebook.com
Borton & Sons Inc.	118	509-966-3905	www.bortonfruit.com
Bushwick Commission Co., Inc.	112	800-645-9470	www.bushwickpotatoes.com
C & R Fresh	60	520-281-4955	
Capital City Fruit Co., Inc.	34	515-981-5111	www.capitalcityfruit.com
CarbAmericas	70	954-786-0000	www.carbamericas.com
Columbia Marketing International	117	509-663-1955	www.cmiapples.com
Columbine Vineyards, Inc.	35	661-725-1777	www.columbinevineyards.com
Coosemans Philadelphia, Inc.	87	215-334-3634	www.coosemans.com
The Cranberry Network LLC	33	715-422-0410	www.thecranberrynetwork.com
Crystal Valley Foods	70	800-359-5631	www.crystalvalleyfoods.com
Curry & Company	65	800-929-1073	www.curryandco.com
Customized Brokers	70	305-471-8989	www.customizedbrokers.net
Del Monte Fresh Produce	136	800-950-3683	www.freshdelmonte.com
Dole Fresh Vegetable Co.	2	800-333-5454	www.dole.com/saladkits
dProduce Man Software	24	888-PRODMAN	www.dproduceman.com
Eclipse Berry Farms, LLC	35	310-207-7879	www.eclipseberryfarms.com
Farm 2 U, LLC	78	478-825-3100	
First Fruit Marketing	29	509-853-4710	www.firstfruits.com
Floral Business	42	561-994-1118	www.floralbusinessmagazine.com
Fresh Produce Association of The Americas	62	520-287-2707	www.freshfrommexico.com
Fresh Taste Produce Limited Canada	83	416-255-2361	www.freshtasteusa.com
General Produce, Inc.	121	800-782-5833	www.generalproduceinc.com
Genpro Transportation Services, Inc.	77	800-243-6770	www.genproinc.com
Gills Onions	27	800-348-2255	www.gillsonions.com
Giorgio Fresh Co.	86	800-330-5711	www.giorgiofoods.com
Gold Coast Packing Co., Inc.	34	805-928-2593	www.goldcoastpack.com
Gourmet Trading Company	70	310-216-7575	www.gourmettrading.net
Grower Alliance, LLC	56	520-761-1921	www.groweralliance.com
GS Distribution	91	215-463-8000	www.gsdistrib.com
Harris Produce Vision	49	269-903-7481	
Harvest Sensations	71	305-591-8173	www.harvestsensations.com
Hess Brothers Fruit Co.	45	717-656-2631	www.hessbros.com
Honey Bear Tree Fruit Co.	45	952-746-1314	www.tmkproduce.com
Hunter Brothers Inc.	93	215-336-4343	www.hunter-bros.com
Idaho Potato Commission	105	208-334-2350	www.idahopotato.com/retail
J J Jardina Company, Inc.	122	404-366-6868	www.jjjardma.com
J-C Distributing, Inc.	53	520-281-2967	
Jacobs, Malcolm & Burt, Inc.	71	415-285-0400	
E.W. Kean Co., Inc.	93	215-336-2321	
Kern Ridge Growers, LLC	24	661-854-3156	www.kernridge.com
Keystone Fruit Marketing, Inc.	71	717-597-2112	www.keystonefruit.com
Keystone Fruit Marketing, Inc.	68	717-597-2112	www.keystonefruit.com
Keystone Fruit Marketing, Inc.	45	717-597-2112	www.keystonefruit.com
T.M. Kovacevich - Philadelphia, Inc.	95	215-336-3160	www.tmkproduce.com
L&M Companies, Inc.	55	509-698-3881	www.lmcompanies.com
M. Levin & Co., Inc.	90	800-523-1986	www.mlevinco.com
LGS Specialty Sales, Ltd.	47	800-796-2349	www.lgssales.com
Allen Lund Company, Inc.	78	800-404-5863	www.allenlund.com
Maine Potato Board	112	207-769-5061	www.mainepotatoes.com
Mann Packing Company, Inc.	13	800-884-6266	www.veggiesmadeeasy.com
Mas Melons & Grapes	54	520-377-2372	www.mas-fourstar.com
Maxwell Chase Technologies, LLC	49	404-344-0796	www.maxwellchase.com

COMPANY	PAGE #	PHONE	WEBSITE
Mexican Hass Avocado Importers	23	410-877-3142	www.theavocadocentral.com
MIXTEC Group	34	626-440-7077	www.mixtec.net
N2N Global	8	407-331-5151	www.n2nglobal.com
Nardella, Inc.	90	215-336-1558	www.nardellainc.com
Nardella, Inc.	94	215-336-1558	www.nardellainc.com
New York Apple Association, Inc.	41	585-924-2171	www.nyapplecountry.com
New York Produce Show And Conference	9, 57	561-994-1118	www.nyproduceshow.com
Niagara Fresh Fruit Co.	45	716-778-7631	www.niagarafreshfruit.com
Omega Produce Company, Inc.	61	520-281-0410	www.omegaproduceco.com
OsoSweet Onion Co.	68	248-681-9020	www.ososweetonions.com
Peckets Inc.	Floral 7	407-222-7800	
Pennsylvania Apple Marketing Program	45	717-783-5418	www.pennsylvaniaapples.org
Peri & Sons Farms	66	775-463-4444	www.periandsons.com
The Perishable Specialist, Inc.	71	305-477-9906	www.theperishablespecialist.com
Peruvian Asparagus Importers Association	71	610-284-0326	
Philabundance	81	215-339-0900	www.philabundance.org
Philadelphia Wholesale Produce Market	101	215-336-3003	www.pwpm.net
Philadelphia Wholesale Produce Market	102	215-336-3003	www.pwpm.net
Pinto Brothers, Inc.	88	800-523-4047	www.pintobrothers.com
Pinto Brothers, Inc.	82	800-523-4047	www.pintobrothers.com
Pleasant Valley Potato, Inc.	106	208-337-4194	www.pleasantvalleypotato.com
PMA Foundation for Industry Talent	129	302-738-7100	www.pmafoundation.com
Pom Wonderful	11	800-380-4656	www.pomwonderful.com
Potandon Produce	107	800-767-6104	www.klondikebrands.com
Primavera Marketing, Inc.	45	209-931-9420	www.primaveramarketing.com
Prime Time	61	760-399-4166	www.primetimeproduce.com
Primus Labs	66		www.primuslabs.com
Procacci Bros. Sales Corp.	89	800-523-4616	www.procaccibros.com
Produce for Better Health Foundation	113	302-235-2329	www.pbhfoundation.org
Progressive Marketing Group	71	323-890-8100	www.pmgstrategic.net
Record Buck Farms	Floral 11	561-537-8586	
Rice Fruit Company	45	800-627-3359	www.ricefruit.com
Righetti Farms, LLC	54	520-377-9765	www.righettifarms.com
Rosemont Farms Corporation	71	877-877-8017	www.rosemontfarms.com
Ryeco, Incorporated	85	215-551-8883	www.ryeco.com
SAGARPA - Embassy of Mexico	18-19	202-728-1727	www.sagarpa.gob.mx
Sage Fruit Company	31	913-239-0060	www.sagefruit.com
Setton Pistachio of Terra Bella, Inc.	126	559-535-6050	www.settonfarms.com
Shuman Produce, Inc.	67	912-557-4477	www.realsweet.com
Sierra Seed Co.	61	520-281-9420	www.sierraseedco.com
South Wind Farms	110	208-436-8164	www.southwindpotatoes.com
Southern Specialties	71	954-784-6500	www.southernspecialties.com
Spice World, Inc.	26	800-433-4979	www.spiceworldinc.com
Stea Bros., Inc.	82	215-336-7806	
Sun-Glo of Idaho	108	208-356-7346	www.sungloidaho.com
Sunlight International Sales, Inc.	7	661-792-6360	www.dulcich.com
SureHarvest	26	831-477-7797	www.sureharvest.com
Sweet Onion Trading Company	68	800-699-3727	www.sweetoniontrading.com
Team Produce International, Inc.	71	800-505-0665	www.teamproduce.com
Thermal Technologies, Incorporated	25	803-691-8000	www.gotarpless.com
Uesugi Farms, Inc.	35	408-847-9403	www.uesugifarms.com
United Fresh Produce Association	36	202-303-3400	www.unitedfresh.org
United Fresh Produce Association	50	202-303-3400	www.unitedfresh.org
The USA Bouquet Co.	Floral 16	786-437-6502	www.usabq.com
John Vena, Inc.	84	215-336-0766	www.johnvena.com
Well-Pict Berries	35	831-722-3871	www.wellpict.com
Wilson Produce	58	520-375-5752	www.wilsonproduce.com
Yakima Fresh LLC	115	800-541-0394	www.yakimafresh.com

# CELEBRATING 100 YEARS



**A**s the oldest registered onion shipper in the Blue Book — the company's trade membership was established in 1929 — JC Watson Co. knows a thing or two about the produce business. The company was founded in 1912 by James Christopher (JC) Watson, who relocated from Iowa to Idaho to deal with the apple orchards in which he had previously invested. A pharmacist by trade, once he settled in Idaho, JC Watson began to pursue an agriculture business, and the rest is history!

While the company began marketing apples and soon expanded to plums, cherries, lettuce, prunes, potatoes, and of course onions, presently, JC Watson focuses solely on selling and marketing onions through JC Watson Packing Company, one of the two companies the family formed in 2010, which dovetailed from the original. The other, Watson Agriculture Inc., concentrates on growing practices to produce sound, superior onions.

The photo above shows Jim Watson, James' son, and the second generation of the company in 1979 in Parma, ID, inspecting onions grown in the Idaho-Eastern Oregon area. Currently, Jon Watson, the third gen-

eration of the family is the president of the company, and led the celebration as the company toasted 100 years of business in the produce industry. Included in the anniversary gala were tours of the operation's fields and facility, a catered dinner and multimedia celebration. The event honored the early efforts of JC and his children, while simultaneously showcasing the continued advancements of the growing company.

Much has changed from the original days at JC Watson. Today, the company is considered one of the most technologically advanced onion shippers in the business. Its state-of-the-art equipment includes photo-assisted computer sizing on its packing line, along with the use of sustainability biofumigants and cover crops. One thing that hasn't changed? JC Watson's headquarters remain in the same downtown Parma, ID, building where the company got its start. Moreover, the company remains as committed as ever to keeping it all in the family. Brad Watson, a member of the fourth generation of the family, joined the business in 2009.

Today, JC Watson sells approximately 200 million packages of onions annually to worldwide markets.

The *Blast from the Past* is a regular feature of *PRODUCE BUSINESS*. We welcome submissions of your old photos, labels or advertisements along with suggested captions. Please send materials to: Editor, *PRODUCE BUSINESS*, P.O. Box 810425, Boca Raton, FL 33481-0425, or e-mail [info@producebusiness.com](mailto:info@producebusiness.com)



**SUBSCRIBE NOW!**

# PerishableNews.com

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

The screenshot shows the PerishableNews.com website interface. Callouts on the left point to specific features:

- Streaming Ticker:** Points to the 'Produce Highlights' section at the top of the page.
- Top Story:** Points to the main article titled 'Natural Delights Introduces Country's First Pitted Medjool Dates'.
- Easy Navigation:** Points to the horizontal menu bar containing categories like Bakery, Dairy, Deli, Floral, Meat & Poultry, Produce, Seafood, and Retail & Foodservice.
- Stories "Just In":** Points to a secondary article titled 'The Year to Ripen For Fresh BC: Showcasing This Season'.
- Multiple Article Sources:** Points to the 'Reader Survey' section, which includes options like 'Report Story', 'Email Story', 'Text Story Only', and 'Public Release'.

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

[www.perishablenews.com](http://www.perishablenews.com)



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

**DAIRY, DELI, BAKERY, MEAT & POULTRY, SEAFOOD, PRODUCE, FLORAL**

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





**(the mark of a really healthy produce department)**

As the world leader of whole and fresh-cut fruits and vegetables, Del Monte Fresh adds value that really makes a difference to your bottom line

- Vertical integration for complete supply-chain control
- Faster delivery from DC's and fresh-cut facilities around the country
- Innovative category management and marketing support
- Trace-back system plus ISO and EuroGap certifications for food safety



*Say Hi to the Best*



[www.freshdelmonte.com](http://www.freshdelmonte.com) 1.800.950.5056 [www.fruits.com](http://www.fruits.com)

[www.facebook.com/delmontefreshproduce](https://www.facebook.com/delmontefreshproduce) [www.twitter.com/delmontefresh](https://www.twitter.com/delmontefresh)