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INSIDE:

THE PUNDIT LOOKS AT **FOODBORNE ILLNESS STATISTICS**
GREENHOUSE PRODUCE • MEXICAN MANGOS • WINTER APPLES
VALUE ADDED POTATOES • ONIONS ON THE MENU • CELERY
FOOD SAFETY AT RETAIL • REGIONAL PROFILE: TORONTO • ASPARAGUS
CARROTS • STORE DECOR • FLORAL PACKAGING • NUTS
25 INNOVATIONS • PRODUCE SOFTWARE SUPPLEMENT



Reader Service # 38

The DOLE brand is synonymous with high quality and safety for fresh fruit and vegetables. Dole leads the way in nutrition education, helping consumers to achieve a healthy lifestyle.



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THIS MONTH'S WINNER



Victor Zaleschuk
Owner, Zalinda Farms Inc.
Pala, CA

Victor Zaleschuk (pictured in the yellow shirt) was raised on a farm in Canada, so it's only fitting that he's getting back to his roots. "I used to grow cut flowers, but the times are changing, so I moved on to blooming plants and now, vegetables," he says. "Growing food is going to be a lot of fun, and I think vegetables will be satisfying."

"We are certified organic," continues Victor, "and we are going to do potted vegetables and also hydroponic vegetables by the end of 2011. I'm near five casinos so I am going to try to get hooked up with them."

There's also plenty of farmers markets in Santa Monica and chefs who are looking for organic products. Plus, school districts and hospitals are looking to buy locally grown. It's a great time to be in the produce business."

Victor began his business 30 years ago and works with his two sons and daughter-in-law. "It was fate that got me into it," he says. "I like the independence it provides me."

The independent working environment is complemented by PRODUCE BUSINESS, which Victor has been reading for as long as he can remember. "I've been reading it forever, and I read it now more than ever as I'm on the hunt for who is selling fresh vegetables."

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

WIN A HAND-HELD DVD PLAYER

Measuring less than six inches in diameter, this portable DVD player fits comfortably in the palm of your hand. The unit has a 3½-inch LCD screen and built-in stereo speakers (ear buds included for discreet listening). Anti-skip circuitry maintains uninterrupted viewing and the integrated stand adjusts for multiple viewing angles. A USB port allows you to view pictures or video. Its rechargeable battery pack lasts up to two hours.



QUESTIONS FOR THE FEBRUARY ISSUE

- 1) What is the contact number for Clifford Produce? _____
- 2) During what months are Curry & Co.'s Chilean Patagonia onions available? _____
- 3) Where is Veg-Pak Product Ltd. located in Canada? _____
- 4) What brand of celery does Duda Farm Fresh Foods sell? _____
- 5) What is the address for Baero North America? _____
- 6) How many years has Anthony Marano been in business? _____

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

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 Company _____
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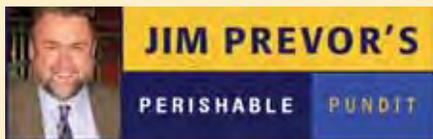
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New Foodborne Illness Numbers Dramatically Lower: Points To Danger Of Basing Public Policy On Faulty Statistics

FROM JIM PREVOR'S PERISHABLE PUNDIT 12.24.2010

For more than a decade, anyone addressing the issue of foodborne illness in the United States has had little choice but to use the so-called "Mead estimates" of foodborne illnesses (published in an article in 1999 by Paul S. Mead of the CDC):

To better quantify the impact of foodborne diseases on health in the United States, we compiled and analyzed information from multiple surveillance systems and other sources. We estimate that foodborne diseases cause approximately 76 million illnesses, 325,000 hospitalizations and 5,000 deaths in the United States each year.

There is little reason to think that a decade from now, there won't be a new study pointing out that the one just announced is also wildly inaccurate.

Known pathogens account for an estimated 14 million illnesses, 60,000 hospitalizations and 1,800 deaths. Three pathogens — Salmonella, Listeria, and Toxoplasma — are responsible for 1,500 deaths each year, more than 75 percent of those caused by known pathogens, while unknown agents account for the remaining 62 million illnesses, 265,000 hospitalizations and 3,200 deaths.

Overall, foodborne diseases appear to cause more illnesses but fewer deaths than previously estimated.

Everyone in food safety has used these numbers; there has been nothing else, but we always viewed them with some skepticism. After all, the researchers found relatively small numbers of actual reported cases, and then estimated multiples many times those reported cases that were unreported. In some cases, the conditions weren't even reportable. So the Mead researchers found no reported cases of Norwalk-like viruses, but estimated there

were actually 23 million cases and, estimated again that 40 percent of these were due to foodborne illness.

The group led by Paul Mead was certainly composed of serious researchers — one of the researchers was Robert V. Tauxe — so there is no reason to think they did not do their best considering the data and methods available at the time. Still, there was a lot of estimating going on and the accuracy was questionable.

Also the big numbers — 76 million illnesses — lumped together what most people would consider serious problems, like people dying, with people simply getting a stomachache. So the estimates have

tended to warp public-policy decisions.

Now the Centers for Disease Control and Prevention have come out with new estimates:

CDC estimates that each year roughly one of out six Americans (or 48 million people) gets sick, 128,000 are hospitalized and 3,000 die from foodborne diseases. The 2011 estimates provide the most accurate picture yet, of which foodborne bacteria, viruses, microbes ("pathogens") are causing the most illnesses in the United States, as well as estimating the number of foodborne illnesses without a known cause.

CDC also provided the estimates in great detail.

There is no question that it is a more accurate estimate. Still, the vast majority of the claimed illnesses are not actually known or identified; they remain extrapolations. In fact, more than 80 percent of the illnesses claimed not only are not known or verified — they are from "unspecified agents."

Doubtless there is much to learn in studying this report, but three things scream out:

1) If over 80 percent of all foodborne illness is caused by unspecified agents, how useful can our policies be in preventing such illnesses?

2) Of those foodborne illnesses caused by one of 31 known pathogens, the majority (58 percent) is caused by Norovirus — what back in the old report were called Norwalk-like viruses. Yet this can be transmitted easily via cooks, waiters, plates, glasses, mom, etc. We cannot find in the study any sensitivity to distinguishing between a problem caused by production agriculture or food producers as opposed to a problem caused by waiters not washing their hands properly. Lumping these together makes food safety policy difficult and should be addressed on the next go-around.

3) CDC emphasized over and over again the fact that these numbers are not directly comparable to the 1999 figures. For one thing, the new numbers exclude illnesses in the United States that are sourced to travel to a foreign country. So if you go to Haiti and get a foodborne illness, when you return home to Miami and go to the doctor, it doesn't get counted under the new numbers. This makes sense because the purpose of these numbers is to assist and assess our food safety policies. Nothing we do to the food supply here will help you if you are buying your food from a street vendor in Timbuktu.

Still, the dramatic drop from the 1999 numbers — and remember, population has grown by over 30 million people since that study was done, so all things being equal, you would expect the number to increase — leaves only two possibilities:

First, that our food safety system works and that food has actually been growing much safer. In this case, with our new food safety law, we just threw out a highly effective system.

Second, that the numbers were wildly inaccurate in 1999, in which case, public policy has been distorted by inaccurate information. There is little reason to think that a decade from now, there won't be a new study pointing out that the one just announced is also wildly inaccurate.



WHY WASN'T TESTER TESTED?

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

On January 4 of this year, President Barack Obama signed into law the FDA Food Safety Modernization Act of 2010. While this bill will do many positive things to modernize food safety requirements and enhance consumer confidence in our nation's food safety, a provision proposed by Senator Jon Tester of Montana was included that will allow certain farms and food facilities to be exempt from the new law's requirements, based solely on non-scientific factors like operation size, annual revenue and proximity to the end customer.

While there has been a lot of discussion about the so-called "Tester Amendment," this provision was never really an amendment at all. Rather, it was simply language included in the bill that was brought up on the Senate floor with no debate or consideration at the committee level, during the legislation's introduction, or even on the Senate floor as a stand-alone provision ready for a vote.

Although some may say that the addition of the Tester Amendment language is simply a small part of a piece of legislation with hundreds of moving parts, the amendment so changed the effectiveness of the bill that even one of its original co-sponsors, Saxby Chambliss of Georgia, withdrew his support on November 17, stating "... the bill, with the substitute that has now been filed, is not the same bill I originally cosponsored."

When Congress reconvened on November 29, Sen. Chambliss elaborated on the reasons behind the withdrawal of his support of the bill he originally co-championed. "We are faced with voting for S. 510 with new language that was added at the eleventh hour, which creates a loophole in the Federal food safety system. The newly added language, referred to as the 'Tester amendment,' creates... a loophole for small processing facilities by exempting them from HACCP and traceability requirements or products entering the food supply in ways other than direct sales to consumers. I am concerned that these arbitrarily exempted

products would commingle with items that must follow risk-based preventive controls —such as bagged salads. In the case of a foodborne illness outbreak, this exemption will make FDA's job much harder to identify and remove the tainted source from the food chain."

So the question remains how could this happen?

Let's look at the contents of this provision first. For very small farms, there would be a limited exemption from produce safety standards. Many in the industry strongly opposed this provision, as food safety risk is not related to size or geography. While a clearly egregious principle, the exemption is narrow:

- The limited size is for annual sales (3 year average) of less than \$500,000.

- The limited scope of distribution is either intrastate or within a 275 mile radius (includes Canadian or Mexican imports).

- A majority of the distribution must be directly to consumers or directly to restaurants or retail food establishments (i.e., not through distributors).

- The product label (if it has one) must include the name/place of business, or if no label, this information must be provided in a written placard at retail sale or some other suitable means.

- The exemption can be withdrawn by FDA, on a facility basis, if the agency suspects food from such a producer may be contaminated.

As the final version of the bill came to the floor for a vote, despite longstanding support for the legislation from United Fresh and other organizations, the bill was opposed based solely on the language injected by the Tester amendment. Congressional leaders, in addition to Senator Chambliss, also expressed opposition to and reservations about the bill.

Congressman Joseph Pitts of Pennsylvania noted, "...pathogens don't care if you're a big facility or a small facility, a big farm or a small farm. They affect everyone... By allowing exemptions from food safety requirements, we're setting our nation up for the potential of

future outbreaks. Our system is only as strong as its weakest link, and the Tester Amendment will set up a system full of weak links."

Long-time produce champion Rep. Sam Farr of California's Central Coast expressed worry over the effects of a potential outbreak within an exempted operation on the entire industry. "Inclusion of exemptions from food safety laws is a huge step backward... Even worse, it will send the wrong message to the American consumer... If we allow small producers to avoid oversight, the outbreaks that are likely to occur will result in the harm of all growers, handlers, processors, and shippers."

Congressman Farr's fellow Californian Jim Costa cited a recent and very public example of the loopholes created by the Tester Amendment. "I'd like to remind my colleagues that the Serrano peppers that sickened over 1,000 people and devastated a wrongfully-accused tomato industry came... from a small farm in Mexico."

So why did a proposal that garnered so much opposition still become law? Because, following a rare parliamentary slip-up in the handling of the food safety bill in the Senate, which cost valuable time in the waning days of the 111th Congress, the food safety bill was incorporated into a massive spending measure that continued funding for all functions of the federal government into 2011. In other words, members of Congress had to vote on the entire legislative package. Connecting the food safety language to legislation funding functions like public safety, education and services for the elderly made it extremely difficult for members of Congress to vote against the measure based on one section of piece of the legislation.

However, even with the measure's passage into law, there remain several opportunities to address the gap created by the Tester language. It remains imperative that the industry stays engaged throughout the proposed rulemaking process, submitting comments to FDA and ensuring that the loopholes created by Senator Tester's amendment are closed.

TRANSITIONS

CLIFFORD PRODUCE RUTHVEN, OR

Chris Jacobs has been named company president. He is the first president for Clifford Produce, which previously operated under the direction of a board of directors and the company's management team. Before joining Clifford, Jacobs worked for 14 years in the fresh floral industry. He was previously the managing director and vice president of sales for Keepsake Plants Ltd.



ONEONTA STARR RANCH GROWERS WENATCHEE, WA

Bruce Turner has joined the marketing team. Formerly the director of operations at Giumarra VBM International Berry Division, he also previously worked for Oppenheimer Seattle, where he helped oversee the growth of the New Zealand apple and kiwi imports to the United States. He brings a wealth of experience in the shipping, marketing and retail sides of the industry.



SEALD-SWEET INTERNATIONAL VERO BEACH, FL

Chris DeSana has joined the Northeast sales team in the company's Swedesboro, NJ, office. He brings more than 25 years of experience in the produce industry, particularly in the domestic and import sectors. He has previously worked for Sbrocco International, Sunkist, Andrews Bros. and U.S. Produce Exchange.



BLACK GOLD POTATO SALES GRAND FORKS, ND

Glen Reynolds was hired as national director of produce sales, a newly created position. His experience in the produce industry includes the supply chain and retail sectors. His success and experience will align very well with the growth strategy and diversity of Black Gold Potato. In his new position, he will head the company's expanding retail and foodservice division.



ANNOUNCEMENTS

ROYAL ROSE CELEBRATES FEBRUARY WITH RADICCHIO CAMPAIGN

Royal Rose Radicchio, Salinas, CA, announced a series of J'Adore Radicchio promotions set to take place in February. The series includes a Facebook contest and a heart awareness campaign in support of the American Heart Association. Four restaurants have created a dish using Royal Rose radicchio and every time that dish is ordered, the restaurant will donate \$1 to the American Heart Association. **Reader Service Number 300**



SOUTH AFRICA CITRUS GROWERS NAMED COUNTRY'S FARMERS OF THE YEAR

The owners of South Africa's ALG Estates, based in Citrusdal, Western Cape, South Africa, have been awarded the prestigious honor of Farmer of the Year by the society of Agricultural Writers of South Africa. Brothers Gerrit and Alwyn van der Merwe, and Gerrit van der Merwe, Jr. (pictured left to right) earned the accolades based on their deserving farming and scientific agricultural merit. **Reader Service Number 301**



USDA NAMES MEMBERS TO NMB, OFFICERS ELECTED

Agriculture Secretary Thomas J. Vilsack appointed seven members to serve on the National Mango Board, Orlando, FL. Meanwhile, at the Board's November meeting, board members elected four officers to serve for 2011. Pictured above, left to right: Bernardo Malo, secretary; Ronnie Cohen, chairman; Ken Nabal, treasurer; and Ted Johnson, vice-chairman. **Reader Service Number 302**



WP RAWL'S SCHOOL FOODSERVICE PROGRAM GROWS

WP Rawl, Pelion, SC, has provided more than 3 million servings of LazyTown Sports-Candy to school children in more than 500 schools in eight states. In 2009, WP Rawl partnered with LazyTown Entertainment to pack single-serve fruits and vegetables with the brand. The product line includes baby carrots, grape tomatoes, broccoli florets, celery sticks, sugar snap peas, sliced apples, red grapes and orange wedges. **Reader Service Number 303**



TV, IN-STORE RADIO CAMPAIGNS PROMOTE FRESHNESS OF CHILE

The Chilean Fresh Fruit Association, North America, Sonoma, CA, will launch a spot television marketing campaign in 40-plus U.S. and Canadian markets, highlighting the lush, bountiful Chilean landscape. In the regional TV spots, the CFFA will tout its fresh fruit availability all winter long. **Reader Service Number 304**



MANN PACKING LAUNCHES COOKING VIDEOS ON YOUTUBE

Mann Packing Co. Inc., Salinas, CA, created a series of cooking videos specifically for YouTube that will teach consumers how to cook with its line of washed and ready-to-use fresh-cut vegetables. One benefit of posting videos on YouTube is the ability to highlight Mann's web site and encourage viewers to visit the site to learn more about Mann's other products, store locations, recipes and more. **Reader Service Number 305**



APPLE ASSOCIATION, MARZETTI ANNOUNCE COMMISSARY CONTEST

The New York Apple Association (NYAA), Fishers, NY, announced its annual display contest that asks commissaries to build displays with New York apples and Marzetti Caramel Apple Dip and Apple Crisp. The contest runs from January 17 to February 20 with a deadline to have entries in by March 19. The prize includes an all inclusive entry ticket to the 2011 PMA Show in Atlanta, GA, airfare and two nights accommodations at an official PMA hotel. **Reader Service Number 306**



FRIEDA'S, WHOLE FOODS SUPPORT EARTH, SUSTAINABILITY

Frieda's Inc., Los Alamitos, CA, helped host a sampling of EARTH pineapples and bananas at the Whole Foods store in Huntington Beach, CA. The fruit was shipped from EARTH's farms in Costa Rica directly to Whole Foods. From left to right, Patrick Cox, store team leader, Karen Caplan, CEO of Frieda's and EARTH University student, Rolf Vladimir Mitton, participated in the demonstration. **Reader Service Number 307**



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

WAL-MART'S HEALTH MOVE MAY LEAD TO PRESSURE ON PRODUCE PRODUCERS

By James Prevor
President & Editor-in-Chief



What are we to make of First Lady Michelle Obama's decision to join with Wal-Mart executives to announce a new Wal-Mart program that, it is claimed, will offer more healthful foods, less expensive produce, clearer nutritional labeling and more stores in "food deserts."

This endorsement of the commercial activities of a private company made for an unusual announcement, as *The Washington*

Post explained:

In a glowing endorsement of the type that first ladies have rarely, if ever, made of major corporations, Obama called Wal-Mart's effort "a huge victory for folks all across this country," and said it has the "potential to transform the marketplace."

But does it?

Wal-Mart identified five key elements to its program:

1. Reformulating thousands of packaged food items by 2015 by reducing sodium 25 percent, added sugars by 10 percent and by removing trans fats;

2. Making healthier choices more affordable, saving customers approximately \$1 billion per year on fresh fruits and vegetables through a variety of sourcing, pricing and transportation and logistics cost-saving initiatives;

3. Developing strong criteria for a simple front-of-package seal that will help consumers instantly identify food options that are truly more healthful options;

4. Providing solutions to address food deserts by building stores in underserved communities that are in need of fresh and affordable groceries; and

5. Increasing charitable support for nutrition programs that help educate consumers about healthier food solutions and choices.

Yet these points raise at least as many questions as they answer.

The decision to give more charity for nutrition education is nice enough, but hardly seems likely to be transformational. It even seems a bit distasteful as Wal-Mart did not promise to increase overall charitable giving, and so the promise comes across as a kind of pandering. It is as if the way to get the First Lady to endorse a private company's efforts is to agree to her charitable priorities.

Equally, the development of a front-of-the-package seal seems more a triumph of hope over experience. The experience with these seals is that they have minimal, if any, impact on obesity or any other health problem.

The commitment to build stores in "underserved communities" is quite odd. Wal-Mart has attempted to build stores in such areas for years and has been blocked by unions conspiring with mostly Demo-

cratic politicians. But Wal-Mart didn't announce it will accept unions or increase wages, and Michelle Obama didn't announce that the President was prepared to buck the unions so it is not clear how this announcement can lead to very much.

The reformulation of products seems like it could be meaningful... until we remember that manufacturers and retailers don't actually force-feed anyone. To the extent that consumer preferences are shifting to more healthful formulations, all Wal-Mart is saying is it is doing the reformulations necessary to keep selling product. To the extent the reformulations are not driven by consumer demand but, instead, are driven by an effort to appease the First Lady or to satisfy the nutritional police at places such The Center for Science in the Public Interest, which applauded Wal-Mart's actions, one suspects that the reformulated products will sell less while other retailers pick up the slack of selling the products people want to buy.

The promise to reduce the prices of fresh fruits and vegetables is perhaps the oddest part of the announcement. First, the promise is to save \$1 billion a year, but Wal-Mart oddly neglects to mention a percentage by which it expects to drop prices. Wal-Mart doesn't break out its produce sales, but it did announce last year that groceries now account for about

51 percent of domestic sales. That means that in its fiscal 2010 year, groceries accounted for about \$132 billion in sales. If produce accounts for 10 percent of groceries, we are looking at about a \$15 billion produce category if you factor in growth in store count. So a billion dollars a year in savings is significant, about 6.6 percent.

Now Wal-Mart made clear that it intends to lower prices not by leaning on beleaguered produce farmers but by achieving supply chain efficiencies. This seems like a very large amount to take out in waste, and one notes that since fruit and vegetable prices fluctuate, there is no way to ever determine if Wal-Mart will honor this commitment. The one specific program mentioned — to buy direct from farmers — would likely cost more in administration than could ever be saved by reducing fees paid to marketing agents.

The bigger question, though, is whether this makes any sense. After all, if there is waste in the supply chain, then surely Wal-Mart would have been fighting to gain these efficiencies anyway. So what is Wal-Mart saying? Is it telling its shareholders that it will be delivering a sub-standard return? Is it telling customers that it will raise prices on other items to compensate for low margins on produce?

Looked at positively, it is a return to Wal-Mart's traditional vision of itself as the buying agent for the consumer. But what this has to do with health is very unclear, and if Wal-Mart is really serious about cutting produce prices by almost 7 percent, it will, almost inevitably, start leaning on producers... and hard.

If Wal-Mart is really serious about cutting produce prices by almost 7 percent, it will, almost inevitably, start leaning on producers.

PASSION

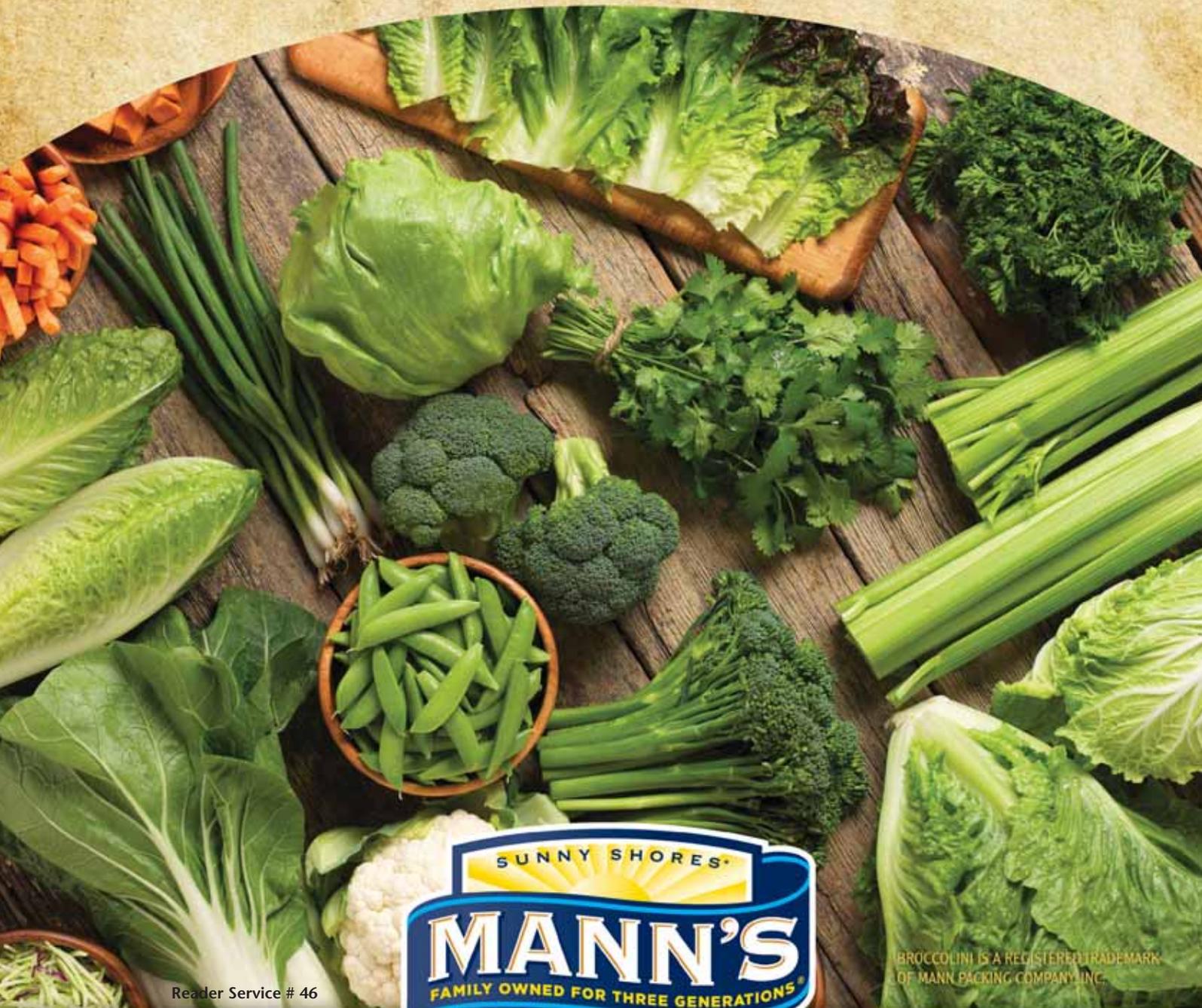
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Website: www.fruitlogistica.com

February 9 - 11, 2011

FRESHCONEX 2011

INTERNATIONAL TRADE FAIR FOR FRESH PRODUCE CONVENIENCE

Conference Venue: Berlin Exhibition Fairgrounds Hall 7, Berlin, Germany

Conference Management: Messe Berlin GmbH, Berlin, Germany

Phone: (493) 030-382318 • **Fax:** 493-030-382020

Email: berlin@exhibitpro.com

Website: www.freshconex.com

February 13 - 16, 2011

SUPERMARKET SYNERGY SHOWCASE 2011

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

Conference Venue: Paris Las Vegas Hotel, Las Vegas, NV

Conference Management: National Grocers Association, Arlington, VA

Phone: 703-516-0700 • **Fax:** 703-516-0115

Email: info@nationalgrocers.org

Website: www.nationalgrocers.org

February 16 - 18, 2011

CIES GLOBAL FOOD SAFETY FORUM 2011

Conference Venue: Park Plaza Westminster Bridge Hotel, London, England

Conference Management: CIES, Paris, France

Phone: 33144698482 • **Fax:** 33144699939

Website: www.ciesnet.com

February 16 - 19, 2011

BIOFACH 2011

Conference Venue: Exhibition Centre Nuremberg, Nurnberg, Germany

Conference Management: NurnbergMesse GmbH, Nurnberg, Germany

Phone: (499) 118-6068633 • **Fax:** 499-118-6068645

Website: www.biofach.com

February 24 - 27, 2011

97TH ANNUAL NATIONAL WATERMELON CONVENTION

Conference Venue: Hyatt Regency La Jolla, La Jolla, CA

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

Phone: (863) 619-7575 • **Fax:** (863) 619-7577

Email: nwa@tampabay.rr.com

Website: www.nationalwatermelonassociation.com

February 27 - March 2, 2011

GULFOOD 2011

Conference Venue: Dubai International Convention & Exhibition Centre, Dubai, United Arab Emirates

Conference Management: Dubai World Trade Center, Dubai, United Arab Emirates

Phone: 009-711-43321000 • **Fax:** 009-711-43314853

Website: www.gulfood.com

February 27 - March 1, 2011

INT'L RESTAURANT & FOODSERVICE

SHOW OF NY 2011

Conference Venue: Jacob K. Javits Convention Center, New York, NY

Conference Management: Reed Exhibitions, Norwalk, CT

Phone: (203) 840-5556 • **Fax:** (203) 840-9556

Website: www.internationalrestaurantny.com

MARCH 1- 4, 2011

FOODEX JAPAN 2011

Conference Venue: Makuhari Messe (Nippon Convention Center), Tokyo, Japan

Conference Management: IMEX Management, Charlotte, NC

Phone: 704-365-0041 • **Fax:** 704-365-8426

Email: info@imexmanagement.com

Website: www.imexmgmt.com

March 3 - 5, 2011

SOUTHERN EXPOSURE 2011

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

Conference Venue: Caribe Royale Resort & Convention Center, Orlando, FL

Conference Management: Southeast Produce Council, Inc., Sun City Center, FL

Phone: 813-633-5556 • **Fax:** 813-653-4479

Email: info@seproducecouncil.com

Website: www.seproducecouncil.com

March 6 - 9, 2011

RFA CONFERENCE & TABLETOP DISPLAY 2011

The 2011 Conference will feature a full Exhibition, with suppliers displaying the latest offerings in equipment, packaging, ingredients and services for the industry.

Conference Venue: Naples Grande Beach Resort, Naples, FL

Conference Management: Refrigerated Foods Association, Atlanta, GA

Phone: 770-452-0660 • **Fax:** 770-455-3879

Email: info@refrigeratedfoods.org

Website: www.refrigeratedfoods.org

March 6 - 8, 2011

CANADIAN INT'L FOOD & BEVERAGE SHOW 2011

The CREA Show 2011 is the leading foodservice and hospitality event in Canada.

Conference Venue: Direct Energy Centre, Exhibition Place, Toronto, Canada

Conference Management: Canadian Restaurant and Foodservices Association, Toronto, Mississauga, Canada

Phone: 416-923-8416 • **Fax:** 416-923-1450

Email: info@crfa.ca

Website: www.crfa.ca

March 8 - 10, 2011

WORLD FLORAL EXPO 2011

The international floriculture trade fair for the US flower buyer.

Conference Venue: Miami Airport Convention Center, Miami, FL

Conference Management: HPP Exhibitions

Phone: (305) 969-3301 • **Fax:** (305) 436-3772

Email: melvin@hpp.nl

Website: www.hppexhibitions.com/floriculture

March 9 - 11, 2011

ANTAD 2011

Mexico's largest retail and supermarket show.

Conference Venue: Expo Guadalajara Convention Center, Guadalajara, Jalisco, Mexico

Conference Management: US Agricultural Trade Office (ATO), Washington, DC,

Email: Tobitha.Jones@usda.gov

Website: www.antad.org.mx

March 30, 2011

NORTHERN CALIFORNIA EXPO 2011

Since 1965, the Fresh Produce & Floral Council has been providing unique networking and business growth opportunities for professionals in the produce and floral industries in California. Our members include growers, shippers, wholesalers, brokers, distributors and retailers of produce and/or floral items.

Conference Venue: Alameda Fairgrounds, Pleasanton, CA

Conference Management: Fresh Produce & Floral Council, La Mirada, CA

Phone: 714-739-0177 • **Fax:** 714-739-0226

Email: info@fpfc.org

Website: www.fpfc.org

APRIL 3 - 4, 2011

NORTHWEST FOODSERVICE SHOW 2011

This is the region's largest, longest running and most comprehensive restaurant and foodservice industry trade event.

Conference Venue: Oregon Convention Center, Portland, OR

Conference Management: Oregon & Washington Restaurant Association, Wilsonville, OR

Phone: (800) 645-7350 • **Fax:** 503-682-4455

Email: info@nwfoodserviceshow.com

Website: www.nwfoodserviceshow.com

April 13 - 15, 2011

CPMA 2011

Annual convention and trade show provides a unique opportunity for industry leaders to connect with peers and enhance business opportunities in Canada, while also offering an exceptional combination of education and networking opportunities.

Conference Venue: Palais des Congres de Montreal, Montreal, Canada

Conference Management: Canadian Produce Marketing Association, Ottawa, Ontario, Canada

Phone: 613-226-4187 • **Fax:** 613-226-2984

Email: vmarcu@cpma.ca

Website: www.cpma.ca

April 26 - 29, 2011

SEOUL FOOD & HOTEL 2011

International Food Industry Exhibition

Conference Venue: Kintex International Exhibition Center, Seoul, Korea

Conference Management: Allworld Exhibitions, London, England

Phone: 442-078-402145 • **Fax:** 442-078-402111

Email: info@seoulfood.or.kr

Website: www.seoulfood.or.kr

April 27, 2011

NEW ENGLAND PRODUCE & FLORAL EXPO 2011

Conference Venue: Boston Convention Center, Boston, MA

Conference Management: New England Produce Council, Burlington, MA

Phone: 781-273-0444 • **Fax:** 781-273-4154

Email: nepc2@rcn.com

Website: www.newenglandproduce.com

To submit events to our Forward Thinking calendar, please email info@producebusiness.com



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Produce Expenditures By Ethnic Consumers

BY RAMU GOVINDASAMY, ASSOCIATE PROFESSOR OF AGRICULTURAL, FOOD AND RESOURCE ECONOMICS
AT RUTGERS NEW JERSEY AGRICULTURAL EXPERIMENT STATION

Americans generally eat less fruits and vegetables than recommended by the Federal Food Guide Pyramid. According to the Produce for Better Health Foundation, only 38 percent of Americans consume the recommended number of servings of vegetables, while only 23 percent consume the recommended number of servings of fruit.

A survey conducted by Rutgers University examined the expenditure on fruits and vegetables among ethnic consumers. In particular, this survey was conducted among Chinese, Asian Indians, Mexicans and Puerto Ricans. An outsourced firm specializing in telephone interviews was contracted to complete 1,084 questionnaires representing 271 respondents from each of the four ethnic groups. Bilingual telephone interviews were conducted and the responses were gathered from the principal grocery shopper of the household.

The survey collected three types of ethnic consumer expenditures: total produce expenditure; ethnic produce expenditure; and expenditures on specific ethnic produce items. Expenditures on specific produce items varied by each ethnic group. All three expenditure types were based on estimates of average purchases during specified periods of time, over the course of the past 12 months.

Average Expenditures By Ethnic Group

Comparisons between average produce expenditures for each ethnic group and national averages for fresh produce expenditures for the corresponding race or origin were conducted. That is, surveyed Chinese and Asian Indian data were compared to national benchmarks for Asians, and surveyed Mexican and Puerto Rican data were compared to national benchmarks for consumers of Hispanic/Latino origin. In general, the average annual fresh fruit and vegetable expenditures by the Asian and Hispanic groups, both national and survey sample data, were higher than the overall national average (i.e. \$357 for

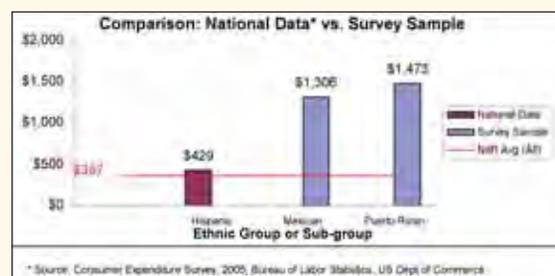
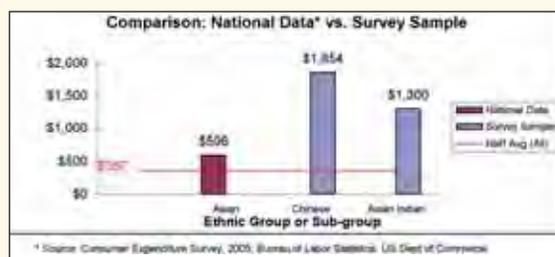
the entire population, irrespective of ethnicity).

Not accounting for demographic characteristics other than ethnicity, the comparisons of sample data to national benchmarks revealed that the average expenditures by ethnic consumers surveyed were as much as two to three-and-a-half times the respective national averages, depending on the ethnicity (See Figures 1 and 2). In the absence of a suitable national benchmark for ethnic consumers by demographic characteristic, an in-depth analysis of the survey data suggests that the average expenditures for ethnic consumers tend to exceed the respective national ethnic benchmarks by many folds.

A Unique Target Market

The substantial disparity between the survey sample and national data can be partially attributed to the inconsistent definitions of ethnicity, due to lack of data availability by ethnic sub-group at a national level. Prior research suggests that the average fresh produce expenditure by all Asians is lower than that of the Chinese and Asian Indian sub-groups. A related ethnic produce study of the three primary Asian sub-groups showed that the average fresh produce expenditures by each of the Chinese and Asian Indians sub-groups exceeded the corresponding Korean average. It is plausible that the same logic applies to Hispanics, relative to the Mexican and Puerto Rican sub-groups, where a similar disparity in expenditures would be justified.

Another reason for relatively high survey expenditures is that the national expenditure averages may include consumers with no expenditures, whereas the survey data only includes responses of non-zero expen-



ditures. Also, the survey data only includes responses from ethnic consumers who purchase ethnic produce, and prior studies have shown that these consumers tend to have higher fresh produce expenditures in general (ethnic and American combined) than their ethnic consumer counterparts who do not purchase fresh ethnic produce.

A more detailed analysis suggests that expenditure differences are also attributable to the different demographic profiles for each target (niche) ethnic market, relative to the profiles of the larger ethnic populations. The analysis showed that, on the basis of average national expenditures by region, education level, and/or household size, the demographic profiles of surveyed consumers for this study would result in even higher expenditures than the respective Asian and Hispanic national averages (\$526 and \$429, respectively). The exact magnitude of this expectation is not quantifiable, as the relevant cross-tabulations of demographics by ethnicity are not available as a national benchmark. Consequently, comparisons of national and survey data should be interpreted as relative (directional) information, as opposed to absolute data.



The New Jersey Agricultural Experiment Station (NJAES) is an integral component of Rutgers, the State University of New Jersey. The experiment station provides a diverse range of research, extension and education programs that serve the people of New Jersey and the urban, suburban, and rural communities in which they live.

What Can The Industry Learn From High-Purchasing Ethnic Groups?

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

It is always interesting to see that households made up of members of particular ethnic groups exceed the national averages for fresh produce purchases. Those retailers who already serve these consumers well know that they are big purchasers and a big market.

For the overall industry, however, the interest encompasses broader questions: Will members of these groups continue to out-purchase the average American as time goes on? Can other consumers be brought up to these higher levels of purchase of fresh fruits and vegetables.

The answer to these questions depends crucially on why purchases are so high among these four ethnic groups compared to the national average. Here, unfortunately, we don't have enough information.

Professor Govindasamy points to some clear reasons why the numbers may be as they are, namely that the ethnic numbers only include people who made at least some purchases and who bought some ethnic items.

The study also is not controlled by household size. So the primary grocery shopper may be purchasing for a larger number of people. It is also an expenditure study, not a consumption study, so if these ethnic families eat at home more frequently and so the national average reflects consumers who eat out at restaurants more often, that would also account for some of the numbers.

This is all meaningful because, if the reason for higher purchases is more children in the family or letting granny live with the children and grandchildren, there is no obvious path for the produce industry to take to bring procurement levels up to the norms of these ethnic groups. Pro-natalism — the belief that promotes human reproduction — seems unlikely to be a viable produce industry position. Even a goal of inducing a relative drop in foodservice consumption and seeing a revival in retail seems very ambitious as an industry goal.

Maybe some of this is just pricing. Per-

haps these ethnic groups cluster in urban areas with higher food prices, and thus, higher produce expenditures. Or maybe more recent arrivals in America aggrandize their station by fictionally reporting high purchases. We don't know.

One does suspects that there are powerful cultural influences at work here. Perhaps the primary shopper spends more time shopping because the family goes to the market together. Perhaps there is a cultural expectation that the family will have home-cooked meals. Perhaps the family's taste buds desire foods and flavors not readily available unless cooked at home.

One reads this study and yearns for more data. Diving deeper into the produce expenditures of the following cohorts would reveal much for the industry:

- Immigrants vs. the second and third generation
- Urban vs. suburban vs. rural
- A cross-hatch against income and household size

Left to speculate, we would think that these high numbers would drop as we move into the second and third generations. All the characteristics that make for distinctive purchase patterns will start to dissipate as the American melting pot reduces the differences between members of these four ethnic groups and the general population.

The great hope for the produce industry is that the melting-pot analogy is correct and that just as these ethnic groups change — perhaps having smaller families, eating out more and enjoying many American staples — so the rest of America will change, perhaps adopting a more fruit- and vegetable-based diet and reducing the percentage of calories from meats.

The question is whether retailers and the broader industry encourage this shift through marketing and promotion. They can, but whether they will is a different question. The problem is that most marketing is about maximizing sales or profits this week or this year. This is about decid-

ing to market to open consumers to the idea of more produce-centric eating, an effort that might pay off big — but over years or decades.

Sometimes, it is the very presence of particular ethnic groups that can change eating habits. Americans came to love Chinese food and Italian food because there were immigrants to open restaurants and introduce America to these dishes and flavor

This kind of research reminds us that consumption patterns are not fixed and that purchasing can change dramatically as families evolve and culture is transformed.

profiles. Many a consumer came to love mangos because a local ethnic group justified a large display at retail.

Perhaps this kind of research is most helpful as a kind of prod to the imagination. It reminds us that consumption patterns are not fixed and that purchasing can change dramatically as families evolve and culture is transformed.

The final question is: Do we have the wisdom to use our time, money and intelligence to not merely boost this month's P&L but to shape consumption patterns for generations to come?

Twenty-Five INNOVATIONS THAT SHAPED THE INDUSTRY

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

BY JODEAN ROBBINS

Back in October, PRODUCE BUSINESS ran the first in a series of articles exploring 25 innovations affecting change in our industry over the past 25 years. The articles, which ran in the October, November, December and January issues, covered:

1. Communication Technology
2. Consolidation
3. Value-Added
4. Club Stores
5. Supercenters and Global Trade
6. Category Management
7. Food Safety and Traceability
8. Government Involvement
9. Clamshell Packaging
10. Logistics
11. Greenhouse Produce
12. Organics
13. Large Scale Organic Farming
14. Locally Grown
15. Sustainability
16. Lifestyle Retail Formats
17. Packaging Development
18. Returnable Containers and Pallets
19. Ripening Technology
20. Social Media

Now we are left with our final five innovations: 5-a-Day, The Food Network, Private Label, Third-Party Audits and Varietal Development.

"Several trends converged to feed an emphasis on produce," says Wendy McManus, director of marketing for the National Mango Board (NMB), headquartered in Orlando, FL. "The ability to watch people cook on television 24 hours a day is certainly one of those trends. Also, the number of choices available in the produce department has exploded. Some of the newer items are varieties of old favorites, such as the mini watermelon or the plethora of newer apple varieties. We're also seeing new items that consumers may have never seen or tasted before."

Herein, industry leaders share their comments on these final five innovations that have affected our industry:

21. FIVE-A-DAY

In the early 1990s, Five-a-Day began promoting specific quantities of consumption for fruits and vegetables. "Five-a-Day aided in allying the industry and the public health community, including key government agencies and health professionals," reports Elizabeth Pivonka, president and CEO of Produce for Better Health Foundation (PBH), based in Hockessin, DE. "We now have a number of non-industry groups helping to provide a consistent message about fruits and vegetables. We have also helped provide tools so that key educators and health professionals can talk both about the benefits of fruits and vegetables and how to prepare them."

"This program has been a 'white knight' for produce in helping increase consumption of fruits and vegetables," says a large western retailer who wanted to remain anonymous. "If we can attain the goals set forth by the PBH, we will have a more

healthful population and enjoy increased sales in all segments of our industry."

Five-a-Day helped target limited industry-marketing dollars on a core message and led to research and education, too. "It provided a single unified message that has fostered a greater sense of collaboration," says Pivonka. "Over the past 20 years, we have recognized that while marketing and education are part of the equation, fruits and vegetables need to be available where people eat: on menus, in schools, at work-sites and at community events. The campaign has helped the industry better focus on consumer needs — better understanding consumer barriers and motivators when it comes to fruits and veggies."

22. FOOD NETWORK

Twenty-five years ago, it would have been difficult to imagine the explosion of television cooking shows and particularly a channel dedicated just to food, much less predict the influence it would have on our culture and business. "The opportunity to see people cooking on television 24 hours a day has really fed the develop-

Auditing has become a lightning rod overshadowing a number of really important discussions the industry should have. We've gotten caught up in focusing on an imperfect tool to monitor food safety status. As an industry, we've become very good at taking audits, but not so good at building risk-based comprehensive food safety programs."

— Bob Whitaker, Produce Marketing Association



ment of 'foodie' culture," explains McManus of the NMB. "Cooking techniques that were a mystery in the past are now unraveled every day by celebrity chefs on TV, giving consumers the confidence to be more adventurous."

As consumers became more familiar with techniques and products, they translated their comfort into purchases. McManus states, "Mangos, in particular, have benefited from the explosion of cooking shows. Mangos are very trendy with chefs, but many U.S. consumers still don't know how to select, ripen, cut and use a mango in their home kitchens. The visual demonstration by TV chefs is what gives consumers the confidence to buy a mango and cut it themselves. This need for educa-

tion is why our How to Cut a Mango video featuring Chef Allen Susser has been viewed on YouTube over 371,000 times as of mid-December."

23. PRIVATE LABEL

The advent and full-scale implementation of private labels by retailers in produce proved to be another innovation for our industry. As retailers cautiously experimented with this concept, they began to use it as a way to build loyalty and sell value to their customers. "At Hannaford, the introduction of private label produce has only existed over the past five years," says Will Wedge, director of produce at Hannaford Bros. Co., in Portland, ME. "Our aspiration is for consumers to have a great

eating experience and correlate that back to a Hannaford brand, as opposed to a national brand or a different private label. If consumers enjoy our Hannaford carrots they will generalize that all Hannaford produce is the high quality they desire."

The success of retail private label has driven greater cooperation, partnering and innovation between retailers and suppliers. "Packaging with such companies, such as State Garden and Renaissance Foods has been outstanding and innovative," explains Wedge. "Safety seals, COOL labeling, specialized graphics, proprietary blends and more give us strong brand equity and distinguish Hannaford from national brands."

24. THIRD-PARTY AUDITS

The evolution of third-party audits and other food safety issues forced change in the industry. "The give and take between what customers were requiring and what suppliers said they could achieve has, over time, raised the bar on fresh produce food safety," says David E. Gombas, Ph.D., senior vice president, food safety and technology for United Fresh Produce Association in Washington, D.C. "Fresh produce is safer today than it was 25 years ago. Food safety practices such as worker health and hygiene training, monitoring wash water antimicrobials, use of compost instead of raw manure, use of potable water for harvested product and attention to keeping animals out of the field have all resulted from increasing audit requirements. All of these were 'impossible' when first introduced; most are now commonplace practices."

However, there are two ways to look at the impact of food safety audits. Bob Whitaker, chief science and technology officer for Produce Marketing Association, (PMA) headquartered in Newark, DE, explains, "First, audits have been a good thing because they promoted industry discussion on food safety. They generated awareness on issues the industry should address. However, auditing has become a lightning rod overshadowing a number of really important discussions the industry should have. We've gotten caught up in focusing on an imperfect tool to monitor food safety status. As an industry, we've become very good at taking audits, but not so good at building risk-based comprehensive food safety programs."

"Auditing was a response to much more powerful forces, and while I think that fresh produce industry has been very innovative in responding to the food safety challenge, I won't credit auditing as the sole driver," adds Robert Stovicek, president of Primus-Labs.com in Santa Maria, CA. "Third-party

LOOKING TO THE FUTURE

LEADERS SPECULATE THESE TOPICS WILL CONTINUE TO AFFECT THE INDUSTRY WELL INTO THE FUTURE.

MORE EFFICIENT TECHNOLOGY

"I see even greater technology advances including voice-to-text for a wide range of media. Also, imagine video, like YouTube playing at twice the speed. Who has time to watch even a two minute YouTube today?" — John Shelford, MBG Marketing, Grand Junction, MI

"The rapid rise and adoption of smart phones and other smart devices, along with a plethora of applications being developed for them will continue to impact how we conduct business. As simple phones morph into small computers, decision makers and field workers alike will gain the tools and acumen for understanding the need for instantaneous and accurate field and production data collection and management." — Ray Connelly, Truetrac LLC, Salinas, CA.

GREATER INTEREST IN SUSTAINABILITY

"In the future, I see technology, traceability and conservation as growing influencers in our industry. Water is a limited resource so utilizing it effectively will be an important future consideration. People will be increasingly concerned about where their food comes from and with new technology, they'll be able to more easily research farms and producers and see exactly how it's produced. The world is becoming more and more transparent due to technological developments." — Douglas Kling, Village Farms L.P., Eatontown, NJ.

"I see thousands of regional/local organic greenhouse operations throughout the United States that will supply more food produced per acre to address land utilization and more efficient water use. Farms will be located near all urban centers to reduce road miles, and producing 365 days per year production to assure a steady food supply. By growing in greenhouses we should see reduced chemical use for pest control because of a more controlled environment. Fertilizer use should also be reduced resulting in fewer nitrates to leach into the soil to protect our ground water. These systems will be as close to perfect farming as possible." — Dick Peixoto, Lakeside Organic Gardens LLC, Watsonville, CA.

TARGETED OFFERINGS

"Over the next 10 to 15 years we'll see continued innovation in several areas. Growers and processors will develop new fruits and vegetables with enhanced flavor to satisfy children's taste buds, delivered in interactive packaging. Vending machines will evolve that can handle pre-packaged fruits and vegetables. There will be continued efforts to improve the American diet with lower fat and lower sodium alternatives. We see new products that better combine fruits and vegetables with meat, cheese, nuts, etc. Meal solutions and snack packs will expand greatly." — Roman Forowycz, Clear Lam Packaging, Elk Grove Village, IL.

pb

auditing began the process of quantifying sanitary growing and handling practices in the fresh produce industry and provided an initial effort to integrate supplier efforts in this area into the market decision. When this integration is complete, supplier efforts relating to sanitary or safe production and handling practices will be continuously monitored and evaluated by a buyer just like other critical supplier efforts. At that point, consumer demands will be more accurately translated through buyers to the supplier community."

25. VARIETAL DEVELOPMENT

The past 25 years have witnessed an explosion of variety and availability in the produce department. "The development of new fruit and vegetable varieties has driven excitement and growth as consumers look for new experiences in their kitchens and out-of-home dining," states David Marguleas, senior vice president/chief marketing officer for Sun World International LLC, headquartered in Bakersfield, CA. "Varietal innovation brought novel and distinctive flavor profiles,

vibrant colors, textures and sizes, new usage options and much more. Items like the flavor-packed apple varieties, red-fleshed plum and citrus varieties, miniature sweet peppers and personal-size seedless watermelons, prompt trial and give consumers a reason to purchase and consume additional fruits and vegetables. These new innovations often feature improved benefits including enhanced flavor, nutritional content, added shelf-life and appearance."

South Africa's Western Cape Citrus Producers Forum (WCCPF) has cultivated both early and late varieties of Clementines originally developed in Israel and Morocco. "This has expanded the sales window of South Africa's Clementine offerings to the U.S. marketplace with fruit of a different taste and longer shelf-life for the consumer," states Piet Smit, a grower and a director of the Western Cape Citrus Producers Forum, in Citrusdal, South Africa. "Two new varieties of Clementines have had success in the orchards of South Africa and are on the shelves of supermarkets in the United States. Current industry-wide initiatives include efforts to develop varieties which are pest-averse, resistant to wind and cold damage, grow larger in size and mature earlier or later."

Kevin Moffitt, president and CEO of the Milwaukie, OR-based Pear Bureau Northwest (PBN) adds, "New varieties including club varieties are driving many categories in produce such as apples. Consumers and retailers have access to an explosion of varieties offering different flavor profiles. Growers are attracted to the faster production that many of these varieties offer as well as the perceived better returns. The money can be good if you can grow the new variety well in your area and get in on the early side of the curve. However, lately there seems to be a new variety every season and consumers have a hard time distinguishing many of them." **pb**



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



Social Media & Marketing: How To Make It Work For You

Social marketing is the wave of the future. Find out how to get in the game and become a social media star.
BY CAROL M. BAREUTHER, RD



Friend or Fan. Like or digg? Tweet. Blog. This is the lingo of social media, the latest tool to add to your company's comprehensive marketing tool box. If you think this interactive communications medium isn't for you or won't translate into profits, think again. According to Social Media Revolution Refresh, released May 5, 2010, by ClickZ, a New York, NY-based interactive marketing news company, "We don't have a choice on whether we do social media; the question is how well we do it."

Social media marketing is definitely growing. It's word of mouth on steroids, or in other words, fast becoming world of mouth. According to a June, 2010, analysis by the New York, NY-based Nielsen Company, 75 percent of Internet users worldwide visit a social network or blog when they go online, marking a 24 percent increase over the prior year.

Valued in another way, in 2010, new media marketing market's worth totaled \$37.6 billion, with the greatest growth from 2008 to 2010 in social network marketing, up 140

“What’s it worth to know why people buy your product or not? Social media is like a real time focus group, only more affordable and more accessible.”

— DAN’L MACKEY ALMY
DMA SOLUTIONS

percent, according to the *Attitudes to Internet and New Media Marketing* report, released by the Chicago, IL-based Mintel International Group Ltd., in October, 2010.

What Is Social Media Marketing? Why Do It?

“The ‘birth’ of social media as a bona fide business tool has come to the fore in the past couple years,” says Veronica Kraushaar, president of Viva Global Marketing LLC, in Nogales, AZ. “Today, we see the Queen of England joining Facebook with over 100,000 followers in just two days...so it has caught on even with the ultra-traditional.”

“Access, speed and immediacy is what has caused social media to really take off,” maintains Dan’l Mackey Almy, president and managing partner of DMA Solutions Inc., based in Irving, TX. “Technology is so much a part of our daily lives today. It’s created an opportunity for consumers to learn about products and control their purchase decisions.”

Julia Stewart, former public relations director for the Newark, DE-based Produce Marketing Association (PMA), asserts, “Consumers want to know the face behind their food — not what we do, but why we do it. Social media provides the venue for our industry to connect with consumers and make these substantial and impactful connections.”

“Interest in social media within the produce industry is growing quickly,” reports John Avola, marketing and internet development manager for Orlando, FL-based Produce for Kids (PFK). “This growth is evident through the recent increase in produce companies on various social media platforms. The companies that are using these

new mediums correctly to reach their target market are experiencing profitable gains.”

“Correctly” means using social media to create interactive dialogues with customers. In other words, social interaction first, selling second. However, buying and selling is what the produce industry is traditionally all about. Karen Caplan, president and CEO of Frieda’s Inc., in Los Alamitos, CA, maintains, “The big challenge in the produce industry is to make social media relevant.”

“Relevance, or applicability,” says Almy, “comes in using the opportunity to connect with the consumer to enrich relationships and discussions with buyers. Imagine talking to a buyer at Kroger, for example, and telling him or her that you have 5,000 Facebook fans and 2,000 of them are in Cincinnati, or that 70 percent of your followers are men and here’s what they’re saying about our product. Social media literally can work just like this.”

Put Social Media To Work

“There are several marketing opportunities of each type of social media,” explains Avola. “All of these networks require the motivation to try new marketing techniques. Any company can take advantage of social media. The resources are available to everyone and the cost is minimal. The difference is how companies use these platforms to leverage their goals.”

Facebook, launched in 2004, is an Internet-based tool that can increase brand loyalty, strengthen communication and build awareness. After Google and MSN/Windows Live, Facebook is the third most popular online brand, with 54 percent of the world’s internet population visiting this site, according to a June, 2010, analysis by the Nielsen Company.

Elizabeth Pivonka, president and CEO of the Hockessin, DE-based Produce for Better Health (PBH) Foundation, reports, “We have three Facebook pages. One is for consumers. This is where we spend most of our time, both community-building and starting conversations. There are over 2,000 fans. The other two Facebook pages are for PBH Foundation members, which let industry and intermediaries know what is happening and what is available. The other page is for our catalogue of educational material that can be purchased by customers.”

PFK’s Facebook page welcomed more than 1,300 followers — parents, produce suppliers, retailers, media and Registered

Dietitians — in its first year of launch. The Dole Fresh Fruit Co. maintains three dedicated Facebook pages. Bil Goldfield, the Westlake Village, CA-based communications manager, says, “Facebook has allowed consumers to connect with the products they are passionate about through our Dole Bananas and Dole Salads pages. These same fans and others are also able to find and share a wealth of knowledge about health and nutrition at the Dole Nutrition page.”

The DOLE Salad Guide personality serves as the voice of the company’s salads Facebook as well as Twitter pages, educating consumers about products and encouraging them to widen their salad horizons and in-kitchen creativity in a variety of ways. Chris Mayhew, the director of marketing for Dole Fresh Vegetables Inc., also based in Westlake Village, CA, says, “I think this personal touch has helped to make these touch points significantly more accessible and compelling than traditional brand-only pages.” Dole’s banana and salad Facebook pages have more than 350,000 and 150,000 fans, respectively, while the nutrition page has over 190,000 additional fans.

Kristen M. Stevens, senior vice president at PBH, describes, “On our consumer Facebook site we’ll post recipes. If we’ve recently put on short consumer articles such as on fads or myths about fruits and vegetables, we’ll post these here. We’ll also post tips and hot topics. The topic of the day changes; it’s not static.”

Twitter, founded in 2006, is a micro-blogging community that offers the opportunity to connect to a mass audience through 140 character messages. According to the company’s Web site, twitter.com, there are 190 million Twitter users worldwide who generate 65 million tweets daily. “The benefit of twitter is being able to deliver short bits of information in real time,” says Robert Schueller, director of public relations for Melissa’s/World Variety Produce, in Vernon, CA. “For example, I tweeted about Cocktail grapefruit the first day they became available this season. Typically, I’ll announce the product is available and give a Web site at the end for customers to go to for more information.”

Pivonka says, “We have two Twitter accounts. One is for consumers and the other is for the industry. Over 2,700 followers follow our consumer-oriented Twitter feeds.”

Barbara Ruhs, corporate dietitian for

“This is a great outlet to show the more fun and relaxed side of the company. People who view our YouTube videos are able to catch a glimpse into life at Chiquita, which helps to personalize the brand.”

— **TANIOS VIVIANI**
CHIQUITA BRANDS
INTERNATIONAL INC.

Bashas' Inc., a 166-store chain based in Chandler, AZ, tweets daily, sometimes several times a day. For example, the week prior to Thanksgiving, Ruhs tweeted the availability of a healthful green bean casserole recipe. She appended the Twitter icon on the California Walnut Board's Web site, where the recipe was located, to her tweet to lead followers to the recipe.

Twitter is ideal to instantly deliver in-store offers, last-minute deals and events. Ruhs points out, “Consider that I'm sitting here in November writing produce ads for our January and February circulars. With Twitter, I can read or see something today and call it out instantly.”

Twitter accounts allow the tweeter to follow and be followed by other Twitter users. Samantha Cabaluna, director of communications at Earthbound Farm, in San Juan Bautista, CA, says, “Our goal is to establish a reputation for always following cool people in the food world so more people will want to follow us. This gives us an opportunity to broaden our reach.”

Twitter can be a conduit to a major marketing opportunity. For example, when Brianna Shales, communications manager for Stemilt Growers LLC, in Wenatchee, WA, answered a question posed by someone she followed on Twitter, the response led to an invitation for Shales to appear as a guest on a local TV station news program where she spoke about one of the grower's new apple varieties.

YouTube, a video-sharing Web site started in 2005, is becoming a search engine with the ability to influence a global audience through visual updates and demonstrations. Forty-two percent of the global internet population visits this site, according to a June, 2010, analysis by the Nielsen Company.

Tanios Viviani, president of global innovation and emerging markets and chief marketing officer for Chiquita Brands International Inc., in Cincinnati, OH, asserts, “This is a great outlet to show the more fun and relaxed side of the company. People who view our YouTube videos are able to catch a glimpse into life at Chiquita, which helps to personalize the brand. The only difficulty we face as a company with YouTube is the ability to remove content once it is posted.

The broadcast of handling tips, preparation methods and usage instructions as well as humor and trivia is the goal of Frieda's Produce channel on YouTube. Topics to date, produced by in-house marketing staff, include jicama, Bitter melon, Blood-oranges, Kiwano melon and Cactus pears. Viewers are urged to sign up to receive notification of new videos, which are posted monthly.

A blog, or web-based log usually written by an individual or blogger, is a way to give a voice to a company. Frieda's Caplan says, “My twice-weekly blog addresses the mission of our company, changing the way Americans eat fresh fruits and vegetables, but isn't a direct sell. I might talk about a product or maybe obesity, a shopping experience or new restaurant I've tried, something that resonates around produce.”

In a different tact, Dole hosted its first Food and Wellness Blogger Summit this past year. Twenty of the most influential food, health, nutrition and wellness bloggers were invited to take an inside look at the company and hear brand presentations, nutritional panel discussions and see new-product demos from the Dole test kitchens.

“With so much focus on the major social media Web sites,” says PFK's Avola, “the opportunity to join a niche community is lost. For example, Ning is a platform used for creating and joining niche social networks. There is already a produce network establish called ‘ProduceCommunity’ where those involved in the produce industry discuss what is important to them.”

Dos And Don'ts Of Social Marketing

Don't think social media marketing is free, even though there's no fee to set up a Facebook or Twitter account or post a video on YouTube. Wendy Brannen, executive director of the Vidalia Onion Committee (VOC), in Vidalia, GA, says, “Setting up an effective social media

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program takes time and money. You have to monitor and participate, be active and proactive, and this is where you're expenses lie. Even after you pay your web person to do a nice Facebook or Twitter page, you can't just leave it alone."

Continually engage your friends and fans. Earthbound Farm's Cabaluna says, "Social media is our digital front porch where everyone congregates to chat. Therefore, you can't post something every six months and expect people to follow you. You've got to be responsive, engaged, conversational and committed. Not everything you hear may be flattering, but how and when you respond says something about you as a company."

PBH's Stevens acknowledges, "One of the key things we learned is the right number of times to post on Facebook. We're typically posting six to 12 times per week. The key to posting is to do it often enough to interest consumers and keep them coming back, but not so often as to annoy them. It's a juggling act."

Listening is as important as talking, adds DMA's Almy. "What's it worth to know why people buy your product or not? Social

"We're beginning to develop a history of what posts, tweets and content works, and what isn't as compelling. Our fans are much more inclined to want to engage in a question than a comment, and recipes are still king. When it comes to cooking, salad preparation and pairings, and even the latest banana desserts, folks want to share their own secrets."

— CHRIS MAYHEW
DOLE FRESH VEGETABLES INC.

media is like a real time focus group, only more affordable and more accessible."

Make an effort to integrate all your marketing strategies. Avola reminds, "No

one channel of social media is an island. It's key to have an integrated marketing campaign. Each network does something different and not all people are on all media."

A good example of an integrated social media campaign is Chiquita's *Undercover Boss* promotion. Viviani details, "We created a specific *Undercover Boss* tab on Facebook, holding trivia contests on Facebook the week leading up to the Chiquita episode air date and having Chiquita's CEO tweet the week leading up to the show, and then posting video clips on our YouTube page."

However, just because you have engaged in social media, don't stop using traditional forms of marketing such as newspaper, radio and TV ads. Avola advises, "Instead, include them into your social media campaign."

Bashas' Ruhs also offers a good example: "If we have strawberries in the circular this week, I might tweet where followers can find a healthful way to prepare strawberry shortcake."

Update your Web site. According to Almy, "Web sites are now home base to connect through rather than the electronic brochures they served as five years ago."



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FIVE STEPS TO SUCCESSFULLY IMPLEMENTING SOCIAL MARKETING

Social marketing is making the turn from experimentation to implementation. However, says John Avola, marketing and internet development manager for Orlando, FL-based Produce for Kids (PFK), “Most produce companies today understand the benefits of social media, but struggle with implementing an effective strategy.”

Here is Avola's five-step strategy:

1. Research and understand your target audience. Do you want to sell apples to children? Target moms. Without accurately defining your target customer, the other steps are difficult and can cause you to continually rework your plan.

2. Identify your strategy. Brainstorm. Then write down on paper what it is exactly your company wants to communicate to consumers.

3. Select the best social media platform to accomplish your goals. Remember that different social networks attract different audiences.

4. Join the conversation. Research done, strategy defined, platform chosen, now is the implementation stage. Open accounts and start interacting. Work on gaining the fans and followers that you've targeted. Spread the word.

5. Measure and reevaluate. Are you reaching your target market? Is the strategy working?

It's very important to be flexible, re-strategize and make adjustments, stresses Avola. “Something new happens every day in the social media world so your plan will never be final. It will always be a work in progress.” **pb**

This means Web sites need to be dual-speak to both buyers and consumers. Position information differently. For example, rather than pack sizes, post recipes or other tips on storing, handling and using your products.”

Try couponing through social media. Elena Hernandez, marketing coordinator for Mann Packing Co. Inc., in Salinas, CA, says, “We see social media as a cost-effective way to build more exposure for coupons. For example, we can remind customers on Facebook about an on-pack offer for sugar snap peas.”

“Couponing is pretty much guaranteed

to boost your Facebook fan base, generate some buzz, and increase word-of-mouth sharing, since people will share good deals with their friends,” says Chiquita's Viviani.

Measuring Success

“Social media is similar to public relations and consumer relations management in that a specific link to sales is hard to measure,” points out Dole's Goldfield. “The opportunity lies in being able to build relationships with consumers within a larger community of passionate followers, which, in turn, builds loyalty. Our true metrics are viral engagement. At the end of the day, while we may not be able to measure it precisely, we can assume there to be a very positive link between sales and conversations with an engaged community.”

“Some of the metrics used to measure success depend on the goals of a social media marketing campaign,” says Viviani. “These can include ‘engagement metrics’ such as number of contest submissions, coupon redemption, number of Facebook shares/likes/posts/comments, to name a few.”

As an example, over 2,000 people took PFK's first-ever Play with Your Produce Facebook Quiz. The quiz encouraged Facebook users to take a 10-question test that matched their personalities to a specific type of produce. PFK's Avola says, “One measure of success is the increase in fans and followers. Our Facebook fans increased by more than 500 percent in 2010 compared to 2009.

Fans are tangibly valuable. According to a June, 2010, released SocialTRAC study published by the New York-based Syncapse Corp., on average, fans spend an additional \$71.84 on products for which they are fans compared to those who are not fans. In addition, fans are 28 percent more likely than non-fans to continue using the brand, and fans are 41 percent more likely than non-fans to recommend a fanned product to their friends.

Beyond fan-tracking, some companies such as Viva Marketing measure the traffic, links and other stats tracked by its blog host. “We can readily see which subjects are hits and which are misses through these stats. But the best measurement is when our retail followers read a post about, say, now being the ideal time to promote cucumbers, and they pick up the phone and place an order.”

Some metrics of success are less direct, however. Brannen of the VOC says, “Our

second highest tweeted response in August was about storing and handling tips for Vidalia onions. This was important information to us because it meant consumers were going out and buying the end-of-season crop to store.”

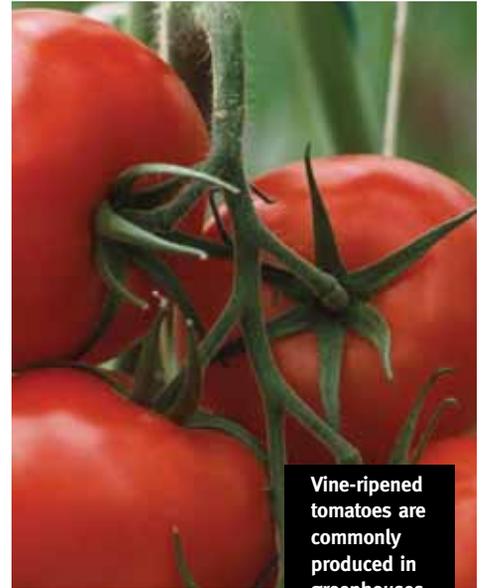
Chiquita's Viviani adds, “If your ultimate goal is brand-building, and moving the needle on business is only an added bonus or secondary goal, then you would focus more on awareness and engagement metrics. There are ways to track the sales impact of a campaign, but it can be a bit tricky to determine or measure the sales impact of a campaign when that campaign is marketing an entire brand as opposed to a specific product.”

The Future Of Social Marketing

With a year or more of social marketing programs underway for some produce companies, what has been learned so far? Dole's Mayhew says, “We're beginning to develop a history of what posts, tweets and content works, and what isn't as compelling. Our fans are much more inclined to want to engage in a question than a comment, and recipes are still king. When it comes to cooking, salad preparation and pairings, and even the latest banana desserts, folks want to share their own secrets. In addition, we knew that consumers in their 20s and 30s would embrace the technology, but also had a hunch that women in their 40s and 50s would also want to share in the conversation. We now see that social media is being embraced by all ages.”

Future opportunities for the produce industry are heading toward mobile marketing. Sales of smartphones in the United States grew 82 percent from 2008 to 2010, according to data released by Mintel International on October 27, 2010.

“Produce companies should begin researching ways to take advantage of this new medium,” advises PFK's Avola. “For example, one of our sponsors, Dole Fresh Vegetables, just released one of the world's first mobile phone applications dedicated to consumer friendly salad shopping and menu development. The app is free and allows users to search for Dole salad varieties, download recipes, create shopping lists and watch how-to videos. Overall, the future lies within social and mobile marketing technologies that continue to add value through immediate interaction with our brands.” **pb**



Vine-ripened tomatoes are commonly produced in greenhouses.

Greenhouse Production Expands Acreage And Crop Diversity (Part 1 of 2)

As greenhouse-grown produce continues to provide top-of-the-line crops, produce insiders wonder what's next for a booming industry and how field-grown crops will be affected. **BY JON VANZILE**

Along with the globalization of the produce business, one of the great stories of the past decade in the produce trade has been the rapid rise of the greenhouse industry. Ten years ago, North American “hothouse” vegetables, grown in Canada, Mexico and the United States, were building the foundation that would eventually lead to oversupply issues in some commodities. Today, greenhouse-grown produce is commonplace — so common, in fact, that it's likely many consumers don't even realize they're buying greenhouse produce.

Although firm numbers are hard to come by, industry experts estimate that the greenhouse industry has at least doubled in the past decade. Growth has been particularly furious in the past three years, with literally acres of greenhouses going up throughout the world. “During the past ten years, the greenhouse industry has grown to an amazing level,” says Jim DiMenna, president of Jem-D International Partners LP, based in Leamington, ON,

Canada. “During the past four years, Jem-D's annual revenue has more than doubled and we continue to grow.”

At the same time, the business has expanded in size, it's moved beyond the three staple crops — tomatoes, cucumbers and peppers — that fueled its early growth. Using advanced farming techniques, a new breed of farmers like Jem-D has moved under glass and shade cloth to offer a steadily expanding menu. Today, farmers are expanding greenhouse crops to include herbs, eggplants, squash and all kinds of specialty produce.

Finally, the industry's growth hasn't been limited to its traditional northern geographical base. Greenhouse operations were once limited to areas with relatively short growing seasons, such as in the northern states and Canada. Growers here could extend their seasons and charge a premium for fresh vegetables, without paying for shipping and cold storage from warmer points south. But this old dynamic is breaking down as greenhouse operations steadily encroach on warm, fertile agricultural

powerhouse regions. Now there are large and growing greenhouse operations in places like California, Florida and Mexico, existing comfortably alongside the traditional field-grown operations that have made these regions famous. In many cases, they're even owned by the same growers.

“We have operations in California and Mexico,” reports Mike Aiton, marketing manager for Prime Time Sales LLC, in Coachella, CA. “In Mexico, the industry has been evolving as people have gone to greenhouse production. It lengthens the season and it gives us more control.”

“We can deliver high-quality, tasty product year-round and it's safe,” agrees Sean Frisby, vice president of marketing and category management at Eurofresh Farms, headquartered in Wilcox, AZ.

The reason it makes sense to locate a greenhouse farm alongside a field-grown farm is because the two businesses are actually very different creatures — the crops they offer might be the same botanically, but they tend to

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look different, be merchandised differently and even appeal to different customers.

Although restaurants buy greenhouse vegetables, there is very little processed food service business, simply because it doesn't make financial sense to chop up premium greenhouse produce for processing. A similar dynamic is at work in the supermarket produce section: the greenhouse produce appeals to a higher-end customer who is willing to pay more for premium product. "The grade for greenhouse produce tends to be higher,"

acknowledges Aiton. "The crop protection eliminates bugs and bacteria."

But all of this comes at a cost: greenhouse produce is unquestionably more expensive to grow, mostly due to the increased cost of maintaining large greenhouses and advanced hydroponic operations. So the questions fall to retailers: How should retailers position greenhouse-grown produce? Should it be marketed as a premium, hothouse product? Or should it be included in the regular product mix? And finally, how much growth potential is left?

The Greenhouse Operation

The term "greenhouse operation" is somewhat misleading, considering the variety of greenhouse farms. A better term might be the "covered produce industry." Today's covered produce operations include traditional glass greenhouses, plastic and vinyl covered facilities, and even crops grown under shade cloth.

"Retailers use difference verbiage," Frisby said. "Hothouse and greenhouse-grown are the two most common."

The most advanced of these operations are part lab and part farm. Growers have capitalized on the explosion of knowledge in hydroponics, plant culture and fertigation to create nearly perfect growing environments. It's nothing to see lab-coated employees wearing facemasks as they patrol the spotless aisles between heavy crops of perfect vegetables. Conditions inside the greenhouses are frequently tightly controlled, with farmers carefully monitoring the humidity, temperature and airflow inside their facilities. "You don't have pesticide drift or animals," Frisby states. "The environment is protected and clean."

To reduce the chance of pathogens or pests, most greenhouses maintain strict hygiene standards. Not only does this protect the plants, it greatly reduces the chances of infected produce, which has been an issue in recent years, as E. coli outbreaks have been traced back to spinach, strawberries and other produce. Finally, through hydroponic and fertigation technology, the plants are pampered with exactly the right nutrient solutions at exactly the right stage in their development.

The result of all this is sometimes astonishing. The largest tomato plants in the world have been grown this way, with single plants growing to 40 feet or more and yielding thousands of pounds of fruit. Peppers and cucumbers produced in these facilities often look like they leaped from the cover of a magazine. And according to experts, these vegetables give nothing away in taste to their field-grown counterparts. Indeed, according to some, it may be just the opposite. Hothouse tomatoes don't need to be harvested as mature green fruit and ripened with ethylene gas. In this case, "vine-ripened" is more than a marketing label — it's a description of the growing method. "From a food quality point of view, you can control the environment better, so the fruit tastes the same in June as it does in January," notes Eurofresh's Frisby.

Greenhouse operations are also at the cutting edge of environmentally sound agricultural practices. Hydroponic farms use less water, fertilizer, pesticide and herbicides than

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“The retailers we work with are finding a very successful level of growth in greenhouse vegetables because of our quality, as well as the ability to deliver what the retailer needs. The category will grow based on price level, quality and a gapless supply.”

— Jim DiMenna, Jem-D International Partners LP

conventional farms. The most advanced growers collect “used” water, remove leftover nutrients and re-circulate the water. Overall, water consumption in a hydroponic operation is a fraction of a field-grown farm — some experts believe it can be reduced by 50 percent. “I define sustainability as anything that delivers benefits socially, environmentally and economically,” details Frisby. “We’re not using Mother Earth. It’s all grown hydroponically. Take water use, for example. You only give the plants as much as they need and recycle the rest.”

The Marketing Challenge

Although it’s hard to generalize about cost because of the various factors that affect commodity prices, covered produce is generally more expensive than field-grown produce. But unlike organic produce, for which consumers have shown a clear preference, there really isn’t a general consensus among shoppers that “greenhouse is better.”

Instead, consumers are attracted to the quality of covered produce. “You position the product against field-grown, which is seasonal,” says Frisby. “But there’s also a significant quality difference, especially in the off-season.”

Many produce managers find it does pay to advertise covered produce as “hothouse” product, to differentiate it from field-grown produce. Even if consumers don’t necessarily understand what a hothouse is, the perception that this vegetable is different and premium can help blunt sticker-shock in the produce section. “Many stores advertise they are hothouse-grown,” reports Prime Time’s Aiton. “The appearance is different and the PLU is different.”

Nevertheless, greenhouse produce is often

displayed next to its field-grown, bulk counterparts. Signage on both the display and the packaging is frequently used to call attention to the fact that it’s “vine-ripened,” which is typical of greenhouse tomatoes, for example, or “hothouse.” Hothouse tomatoes and peppers are often packaged in clamshells.

In other cases, however, retailers shy away from labeling the produce as hothouse and instead rely on availability and quality to make the sale. According to Jem-D’s DiMenna, produce departments can partly get higher prices

for hothouse vegetables because of their year-round supply at high-quality levels. “The retailers we work with are finding a very successful level of growth in greenhouse vegetables because of our quality, as well as the ability to deliver what the retailer needs,” he says. “The category will grow based on price level, quality and a gapless supply.”

The Industry’s Future

Most experts predict that the covered-produce industry will continue to expand rapidly

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“You have to continue to innovate. We have to provide value and new products with higher quality. Fifteen years ago, a hothouse tomato was a tomato. Now we’ve got everything in between, with Heirlooms, grape tomatoes, Camparis and bi-colors.”

— Sean Frisby, Eurofresh Farms

in every direction: geographically, square footage under glass and crops offered. But there’s no question that market pressures are increasing that will affect individual players within the trade. As the business expands, more and more growers are opening up greenhouses, which raises the specter of oversupply and a disastrous (for the growers) crash in prices. “Realistically, I think it’s going to continue to grow and expand and you’re going to see more and more crops grown in a closed environment,” predicts Aiton. “It used to be peppers, cukes and tomatoes, but now you’re seeing squash, eggplant and lots of other things.”

“You have to continue to innovate,” agrees

Eurofresh’s Frisby. “We have to provide value and new products with higher quality. Fifteen years ago, a hothouse tomato was a tomato. Now we’ve got everything in between, with Heirlooms, grape tomatoes, Camparis and bi-colors.”

The covered-produce industry also faces a threat from rising fuel costs. The business is exquisitely sensitive to the cost of fuel, especially the more advanced climate-controlled facilities that rely on air conditioning or heaters to provide a year-round season. If fuel was to rise dramatically, the covered-produce industry could find itself in even worse straights than the field-grown business, which would suffer from higher shipping costs.

“High-tech greenhouses are very sensitive to rising costs of fuels and other sources of energy,” acknowledges DiMenna. “Low-tech structures that don’t use heat or electricity will see the same level of costs as field-grown, but will also not be able to sustain the high level of quality and consistency that high-tech heated and vented structures will achieve.”

Any such rise in fuel costs would likely slow the rapid growth of the industry by weeding out the weaker companies. According to experts, such a weeding out might be unavoidable as the business continues to consolidate into the hands of established growers. As with all farming, margins in the greenhouse industry are tight — and the line between success and failure depends on technical savvy.

“There will always be risks of oversupply on any items in the department,” DiMenna says. “Usually if this occurs, the lower quality, underperformers will not be able to survive. We have always been able to adjust our operations to keep ahead of any of our competitors.” **pb**

Editor’s Note: Part II of this series — to be published in our April issue — will explore the marketing efforts of the greenhouse produce trade.

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IN MEMORIAM



Ira J. Cohen

December 5, 1933 – December 25, 2010

"Ira was a great, soft-spoken guy. He was in the business a long time. I loved listening to his many stories about the old market. He always had something nice to say. If he didn't have something nice to say, he didn't say it."

Thomas Tramutola
A&J Produce Corp.

"I knew Ira Cohen since the old Washington Street Market Days. He was a gentleman and we had a beautiful relationship. He was honest and decent. With his passing, I lost a dear friend."

Sal Vacca
A.J. Trucco, Inc.

"Ira always had a unique point of view. He was a well-thought-out man. He made very valid points. Initially you may not have agreed with him. Now that time has passed his thoughts have come into fruition"

Joel Fierman
Joseph Fierman & Son, Inc.

I was working as a salesman at Leef Brandt on the market in the early '70's. Ira would come down the platform always telling jokes. He wanted to be a comedian. I always enjoyed seeing him. I would ask him "Do you have any new material?" Ira always would."

Michael Hirsch
LBD Produce, Inc.

The New York produce industry and overall trade have one less star to look up to as a beacon for guidance. Ira Cohen, long associated as an inveterate champion of the Hunts Point Market and the contribution that produce wholesalers on terminal markets play throughout the industry, passed away on December 25, after a long fight with cancer.

The son of Harry Cohen, co-founder of Shapiro and Cohen, Inc. on Washington Street and later the Hunts Point Market, Ira had many interests outside of the produce industry. Before attending NYU, he was an entertainer in the Catskill mountains, and even after his retirement, Ira continued to pursue an acting career.

After college, Ira joined his father's company and rose up the ranks from a porter to vice president and on to principal of the company through 1993. Later he formed Cohen Marketing International, from 1993 through 1998, in answer to the call to provide tropical produce and international specialties to the large ethnic population of New York.

While he was running his produce operations, Ira realized that there were great opportunities for underprivileged people to work in the produce business, and the resources of his mind and experience were put to work in the Produce Academy of New York, Inc.

Ira partnered with the Bronx Economic Development Corp. and The New York Department of Education to teach unemployed people about the industry and to help them find work in the wholesale market and in retail stores

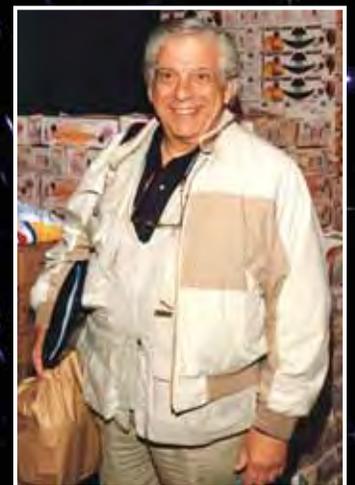
While all this was going on, Ira served as a board member and treasurer of the Hunts Point Terminal Produce Cooperative Association; he was also appointed as a member of the PACA Advisory Board and was a founder and member of the National Association of Perishable Agriculture Receivers (NAPAR). In addition, Ira helped develop the McAllen Terminal Produce Market, along with Mexican Trade Commission and Bancomext (Elio Botello).

A true renaissance man (private pilot, auctioneer, actor), who was a real participant in life and was always willing to teach others, Ira Cohen leaves behind a loving family of four grown children - Donna, Russell, David and Ronald, eight grandchildren and his wife of 53 years, Bernice.

"I've had the pleasure to have known and worked with Ira for over 15 years and he was a dear friend. Ira had uncommon wisdom, both as a businessman and mentor. His experience in so many areas provided me with a perspective that I found invaluable in both my professional and personal life.

I was so fortunate to be able to tap into his thoughts on a frequent basis. He was a man of honor, integrity, and determination. And his sense of humor always left me feeling good, regardless of what was going on around me. To say that I will miss him would be a gross understatement and he leaves me with memories that I will cherish for the rest of my life."

Bruce Peterson
Peterson Insights



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MANGOS FROM MEXICO

Americans love mangos and smart retailers are upping their attention to mango availability and merchandising. Mexico, the third largest mango producer in the world and the number one supplier of fresh mango to the U.S. market, is a reliable and profitable partner for mangos. A focus on Mexican mangoes will add fun to any retail department as well as display your expertise in providing fantastic tropical products to meet the growing consumer demand.

With availability from February to August, the Mexican mango is regarded worldwide as a high quality product, with exceptional organoleptic properties, especially the Ataulfo and Kent varieties. Mexico is the dominant supplier not only to the U.S., where it has two-thirds of the market share, but to the world. Though mangos are imported into the U.S. from other countries, Mexican mangos have an edge due to the short distance from production to market (just eight hours by truck from northern growing regions). The fruit can be ripened longer on trees, resulting in unrivalled sweetness.

UNPARRALLELED QUALITY

Mexico has a stable and consistent production of high quality mangoes. Production occurs in 23 of Mexico's states on a total of 171 thousand hectares. In 2008, five states were the principal Mango producers, contributing 74 percent of the volume: Chiapas, Oaxaca, Guerrero, Nayarit, Sinaloa (from south to north) Additionally, 83 percent of the production is concentrated in the March to July season. The volume of the production of Mango in Mexico has shown a constant growth in the recent years, reporting an annual average growth of 2.3 percent in the 1995 to 2008 period.

PRINCIPAL MANGO PRODUCTION AREAS IN MEXICO



Mexico's mango exporters work hard to produce a quality, safe and reliable product for consumption. Quality and food safety are very important areas for the Mexican mango industry. All mango exports are certified for Good Agricultural Practices by SENASICA (Ministry of Agriculture of Mexico) and the Mexican mango exporters association EMEX has devoted significant resources and time into ensuring all industry participants comply with the highest standards of certification. The Mexican industry has 54 packing plants equipped and authorized for export that comply with the national Phytosanitary standards.

DELECTABLE VARIETY

The key to repeat mango sales is ensuring flavor! Educate employees and consumers on the varieties available from Mexico as well as the fact that different varieties come in different colors. Promote the variety and showcase that mangos of all colors can be ripe, sweet and good to eat.

VARIETY	SEASON	SHAPE	COLOR	TEXTURE
Haden	Mar to May	Medium to big and oval to rounded	Green to yellow with touches of red color	Firm
Tommy/ Atkins	Apr to Jun	Medium to big with oval or elongated form	Golden or greenish rind shamefacedly vermillion	Firm, fibrous enough texture
Keitt	Jun to Aug	Big and oval	Green shamefacedly dark red	Soft
Kent	Jan to Mar & May to Aug	Big and oval	Greenish rind shamefacedly dark red and yellow small points	Juicy and delicate
Ataulfo	Feb to Aug	Small smooth oval	Yellow	Like butter

PROMOTE USES

As consumer become more aware of the incredible flavor and variable uses for mangos, profits will increase. With trending growth among ethnic and gourmet consumers, a prominent mango program will add fun and excitement to any retail department. Health attributes are another positive aspect to promote. Mango is a rich source of vitamin A and C, both antioxidants, and is also rich in natural fiber.

Quick and easy mango promotion includes:

- Sample... good flavor will convince consumers to buy!
- Provide a Mango Smoothie recipe next to the display
- Cross merchandise with bagged salad, balsamic dressing and cheese

Mexican mangos are promoted via the National Mango Promotion Board program which has a wide variety of resources available for retail use. Check out www.mango.org for more information.

For more information on trade with Mexico, if you would like to participate in a Trade Mission to Mexico, or for business contacts, please contact the Agricultural Office at the Embassy of Mexico:

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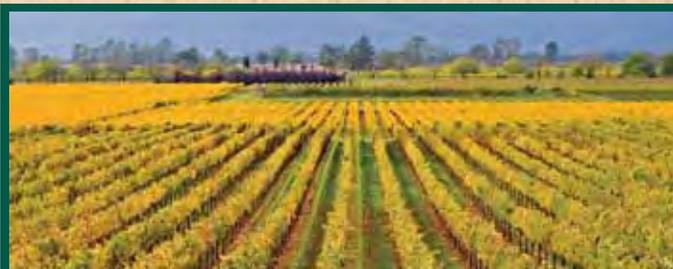
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SONORA SPRING GRAPE SUMMIT IN APRIL!

Interview with Juan Laborin, general director of AALPUM (Sonora Spring Grapes) in Sonora, Mexico

Q: We understand there is an important grape event being held in Sonora this spring...

A: Yes, the Sonora Spring Summit 2011 is a two-day event to reach out to our customers. We invite current and potential customers to come tour our vineyards and see with their own eyes how proud we are of the quality, food safety and responsible management of our highly skilled manpower and natural resources. Additionally, a morning seminar will present issues relevant to the industry such as new markets, production forecasts, and technical issues such as post-harvest management, as well as regional, national and global trends. These two days give everyone in the industry, including trade press, the chance to experience first-hand our production and form friendships with over 90 percent of our producers. This event is illustrative of our business, culturally descriptive and fun!

The event will begin on Thursday, April 28th at 3:00 pm with a field tour and dinner. On Friday, April 29 we'll present the seminar and lunch, sponsored by Sonora Spring Grapes at Hotel Royal Palace in the city of Hermosillo, Sonora.

Q: Why is this event important for U.S. buyers or importers?

A: Sonora is the first option for fresh grapes in the northern hemisphere in spring. Our grapes have a perfect mix of quality, food safety, certifications, and price and are the most competitive in the world at that time. By visiting our vineyards and facilities to see how we work, a buyer will have first-hand knowledge of our quality and ability to provide the best grapes.

Q: How will the event facilitate business between Mexican grapes and U.S. buyers?

A: It is invaluable to have a face-to-face meeting between grower, distributor and buyer in a single event where you can also see the fruit about to be harvested. Visitors will be able to ascertain the volume and quality at that time and thus plan their pre-sales for the months of May, June and July.

This event is sponsored by the Asociación Agrícola Local de Productores de Uva de Mesa (Sonora Spring Grapes) and is complimentary for all our guests. Who wouldn't want to take advantage of that?

Q: Anything else buyers should know about the event?

A: This event has been established for over 11 years now, and we've traditionally had the presence of representatives from six to nine countries every year. We are personally available to help any interested visitors with information on flights, hotels, or transportation. Information is available on our website www.aalpum.com.mx. But, it is very important to register early!

Traveling and accommodations for the Spring Grapes Summit will be funded by SAGARPA.

* Contact SAGARPA for the requirements to qualify for support.



While promotions during mango season bring immediate impact, educating consumers offer long-term impact.

Mexican Mangos: Poised For Take Off

Thanks to a number of growing regions in the area, Mexican mangos are virtually a year-round commodity, and with the proper education and ads, can become a favorite choice among consumers. **BY BOB JOHNSON**

There are good opportunities to promote mangos during the entire harvest season below the border, which extends all the way from March in Chiapas to the south to August in Sinaloa to the north. Supply is most abundant early in the summer, when the harvests from the many areas of Mexico overlap.

But while promotions of mangos during the harvest peak are of immediate benefit, consumer education about mangos might be of even greater long-term impact. That education begins with the information that it is a mistake to judge a mango by its color, because delicious varieties of mangos come in many colors. “What retailers would be interested in and what they should be interested in may not necessarily be the same thing,” says Larry Nienkirk, partner and general manager at Splendid Products LLC, in Burlingame, CA. “In the short term, volume and pricing are their immediate concerns, but development of increased volume with existing and potential consumers will be a process of education as

well as price. Education about new varieties, product selection and preparation are all important considerations.”

Prime Time Mangos

For most retailers, the key question about mangos is when the harvest will begin. This, in turn, leads to other important pieces of information, such as when supply will be great enough to support promotion and when supply will reach its peak.

“Retailers seem to be most interested in pricing and volume; they like to find opportunities to run ads,” acknowledges Gary Clevenger, managing member of Freska Produce International LLC, headquartered in Oxnard, CA. “There are certain times of the year that mangos are available in abundance and need to be pushed at retail level. Sometimes, they don’t particularly coincide with holidays or whatnot, but nonetheless they still need promotion to help the cause of the industry and the overall promotion to the U.S. consumer.”

Promotions during the harvest peaks have been, until now, the key to steadily increasing mango sales. “Having a time of year when the majority of retailers jump onboard to promote mangos would be an enormous boost to the industry in the form of education of the retail buyer and the buying consumer recognizing mangos in a bigger way,” maintains Clevenger. “Now, they are relegated to smaller displays and hidden areas of the produce aisles. But they need to be displayed better and in larger displays with POS materials for the consumer to educate themselves as to many health benefits of mangos.”

The mango harvest in Mexico is long — as long as six months — because it shifts steadily from south to north. “You have three different harvest peaks from different regions so you can hit three different promotions on one item,” reports Chris Ciruli, chief operating officer at Ciruli Brothers LLC, Tubac, AZ. “The southern deal out of Chiapas comes in late March or early April. Product from Nayarit and Jalisco comes in May and June. Mangos from Sinaloa

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Reader Service # 8

“The biggest challenge faced by retailers and the mango industry in growing mango sales is consumer education. There is still a tremendous gap in consumer knowledge about mangos and this creates a barrier to purchase.”

— Megan McKenna, National Mango Board

come from June or July to early August.” As the harvest moves from region to region within Mexico, there is a corresponding shift in which varieties are available in greatest abundance.

“The standard mango varieties have been in Mexico since the 1950s,” reveals Jerry Wagner, director of sales and marketing at Farmer’s Best International LLC, headquartered in Rio Rico, AZ. According to Wagner, the season begins with the Ataulfo mango, a golden variety also known as the Honey Mango or Manila Mango, which becomes available in March. The red mangos, including the very popular Tommy Atkins variety, are available from April all the way through to September. “The most advantageous thing to help move volume is to have large displays aggressively priced,” Wag-

ner suggests.

Supply is usually greatest from May to July, when the harvests from a number of regions overlap. “The timing varies a little from year to year, but the season lasts about six months from the end of February until September,” says Wade Shiba, managing member of GM Produce Sales LLC, in Hidalgo, TX. “Certain districts overlap from May to July in the middle of the season.”

For many retailers, mango conversation begins and ends with pinpointing when the supply and price will be able to support promotions. “A lot of retailers are short on time and get right to the point,” says Shiba. “They want to talk about volume and pricing because that’s what affects next week and next month.

But there may be other issues that are important long-term.”

Educating Consumers

In the long run, a little more knowledge could go a long way in increasing mango sales, particularly among mainstream consumers. “We need a little more education of the consumer so they would learn more about mangos,” says Shiba, who is a board member of the Orlando, FL-based National Mango Board (NMB). “We, at the Mango Board, are working on a POP campaign. It’s in the infant stage, we just came out with most of the material in the last year or two, but we think it has potential.”

The first thing to know about mangos is that a good mango does not have to be a red mango. “One of the things we’re trying to push is to not judge a mango by its color,” Shiba contends.

The most popular mango variety among mainstream consumers is the rich red Tommy Atkins. That is not, however, the favorite of many mango connoisseurs. “You can’t judge a mango by its color,” echoes Ronnie Cohen, vice president of sales at Vision Import Group LLC,

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“Displaying two or more mango varieties at the same time is just the beginning of the long process of educating consumers about the many varied flavors and textures of mangos.”

— Chris Ciruli, Ciruli Brothers LLC

headquartered in River Edge, NJ. “The misunderstanding is that a mango must have the right color to taste good. Tommy Atkins looks great; it’s all red. But that doesn’t mean you shouldn’t eat a green mango. Retailers should reach out to their suppliers to help them with point of sale materials.”

The National Mango Board is on a campaign to help retailers inform their consumers that there are many delicious yellow- and green-skinned mango varieties. “The National Mango Board can help support retailers’ consumer education efforts, including POS material to teach them how to cut, ripen and use mangos; POS material to draw attention to green- and yellow-skinned mangos and overcome the myth that red equals quality or red equals ripe; a demo training sheet to help turn their demo events into consumer education events; and key marketing messages they can use in ads, newsletters, Web sites or in the store,” says Megan McKenna, marketing manager for the National Mango Board.

There is also room for education about the many nutritional benefits of mangos. According to the NMB, mangos are an excellent source of vitamin A, vitamin C and dietary fiber, and a source of over 20 vitamins and minerals. “Consumers want information about the health benefits of fruit,” contends Splendid’s Nienkerk. “They want to know the

proper way to select and prepare the product. Retailers can gain a wealth of information about all facets of the mango industry by exploring the National Mango Board Web site.”

Another important area for information for consumers is the mango ripening process. Mangos are best ripened at room temperature, not in the refrigerator. The feel — not the color — of the fruit determines ripeness. “They’re ripe when they give a little,” says Shiba of GM Produce.

The ripeness has a great affect on the taste, as those who like mangos most understand. “Mangos go through stages like bananas or tomatoes,” explains Ciruli of Ciruli Brothers. “Mexicans and Indians like mangos when they are in an immature state. They have a bitter taste, and they season them. Caucasians want them at the end of that stage when they are sweeter.”

Industry insiders believe that consumer education about mangos will be the key to continued long-term growth of sales. “While the others are important issues, the biggest challenge faced by retailers and the mango industry in growing mango sales is consumer education,” reports McKenna. “There is still a tremendous gap in consumer knowledge about mangos and this creates a barrier to purchase.”

Variety Is The Spice Of Mangos

Knowledge about the different varieties of mangos is largely limited to Hispanic and Asian consumers. “There are very few consumers who know about different varieties,” admits Ciruli. “Most of the ones who do are Mexicans or Asians. With the Caucasians, there is still a lot of education to do. The first step is that the consumers are recognizing different colors and that they like a red, yellow or green mango. Rather than start with individual varieties, retailers can start with the different colors,” he suggests.

A good first step in broadening consumers’ mango horizons is to offer more than one color at the same time. “We’re seeing some of the more progressive retailers put two colors of mangos out there at once,” reports Ciruli. Displaying two or more mango varieties at the same time is just the beginning of the long process of educating consumers about the many varied flavors and textures of mangos.

The best known variety is the Tommy Atkins, with a distinctive red blush that covers most of the skin. This variety has a mildly sweet taste, and is available in some quantities more than 10 months of the year. The Ataulfo is a vibrant yellow variety with a sweet creamy flavor that comes early in the season. The Haden is bright red with green and yellow overtones. It is aromatic, and has a rich flavor that makes it a favorite among many mango connoisseurs. The Haden also becomes available early in the season. The Kent is an early-season, dark green variety with red blush, and a sweet and rich flavor. The Francis is a mid-season bright yellow variety with green overtones. It has a spicy and sweet flavor. Late in the season comes the Keitt Variety, which is dark to medium green and has a sweet and fruity flavor.

“There are six major commercial varieties, and the question to ask is: ‘Are people happy with just those varieties?’ says Cohen of Vision Import Group. “Personally, I like the Haden and the Ataulfo. The Haden mango was originally developed and named in Florida, but is now also widely grown in Mexico.

Shiba’s personal favorite is also the Haden variety. “It is sweet and has good aroma. Some people say it has too many fibers, but it has less than a Tommy Atkins. It’s a very rich flavor,” Shiba says.

Once consumers have tasted enough mango varieties to have their own personal favorites, they are more likely to come back for more. “The more experienced someone becomes with a flavor profile, the more likely they are to try to repeat it,” Ciruli says. **pb**



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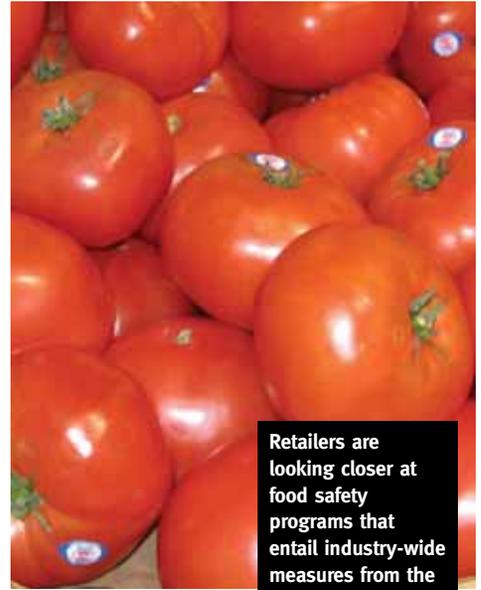
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Reader Service # 49



Retailers are looking closer at food safety programs that entail industry-wide measures from the source to the store and on to consumers' homes.

Retailers Pursue Food Safety As Collaborative Effort

By breaking down food safety into four areas, the ability to track and trace the safety of our products becomes a reality. **BY JODEAN ROBBINS**

Retailers have long marked food safety as one of their top issues, knowing consumers hold them ultimately responsible for the quality and safety of what they sell. Dr. Jill Hollingsworth, senior vice president of food safety programs for the Food Marketing Institute (FMI) in Washington, D.C., reports, "When we survey members on their priorities, food safety is always top of mind. We ask, 'What is the thing that keeps you up at night?' and the answer is repeatedly food safety because of the impact on their customers and business."

"Food safety has always been of paramount importance to retailers and foodservice," adds Dr. David E. Gombas, senior vice president of food safety and technology for the United Fresh Produce Association in Washington, D.C. "Retailers realize consumers equate the safety of food with where they purchased it, not necessarily where contamination may have occurred."

"Action has been driven even more as retailers have moved to establish themselves as a brand with their consumers," states Dr. Bob

Whitaker, chief science and technology officer for the Produce Marketing Association (PMA) in Newark, DE. "They're on the front line of the issue."

Food safety at retail has evolved into a collaborative effort. "Being actively involved in food safety issues throughout the supply chain is one thing we can do to enhance the safety of the products we offer our customers," says David Corsi, vice president of produce and floral merchandising for Wegmans Food Markets, a 76-store chain headquartered in Rochester, NY. "Produce safety does not rest solely on the shoulders of the growers and shippers; it's a shared responsibility and there are things we need to do in our distribution centers and stores to help keep products safe."

"Publix is involved in many aspects of food safety," reports Maria Brous, director of media and community relations for Lakeland, FL-based Publix Super Markets Inc. "Over the past few years, we have collaborated with other retailers, regulators and produce suppliers to improve produce food safety standards. We certainly believe food safety is a shared respon-

sibility from the farm through the manufacturing plants and distribution centers, in our stores and with our customers."

Retail is emphasizing the team aspect of food safety by breaking it out into four major areas. Hollingsworth explains, "These four areas are: knowing the source, retail personnel training, Best Practices and consumer education. All of these together span everything from growers, distributors and in-store operators to consumers. The ability to have a more effective program is enhanced because you're looking at the issues across the entire spectrum."

"Food safety is a shared responsibility and everyone along the supply chain has a role to play," adds Corsi. "There are things suppliers need to do to keep food safe, and there are things retailers need to do. All it takes is for someone somewhere along the supply chain to not do their part and we've all got a problem."

Focusing On The Source

Obviously, food safety begins at the source. "We must start by having safe food come into the store," says FMI's Hollingsworth. "If we're

“These four areas are, knowing the source, retail personnel training, Best Practices and consumer education. All of these together span everything from growers, distributors and in-store operators to consumers. The ability to have a more effective program is enhanced because you’re looking at the issues across the entire spectrum.”

— Dr. Jill Hollingsworth, Food Marketing Institute

not purchasing safe food, there is nothing we can do once it’s in the store to make it safe. At FMI, we have the SQF program (Safe Quality Food) whose purpose is to monitor and ensure food is safe before it enters the store.”

Most major retail and foodservice companies require explicit food safety certifications of their produce suppliers. “Because most incidents have been traced back to primary production, it’s where the scrutiny has been,” says Dr. Don Schaffner, professor in the food science department at Rutgers University in New Brunswick, NJ. “Good programs have a mixture of things including grower standards and audits, but we’re also seeing increasing interest in microbiological testing for pathogens as well for indicator organisms. Of course, some of these strategies are controversial.” (See side note for more on this topic.)

“At the supplier level, we have required food safety audits for many years,” reports Brous. “These audits focus on good manufacturing practices, cleaning and sanitation and food safety control systems. In an effort to improve this program, last year we advised our supplier community that we would require all suppliers of finished foods, ingredients and food packaging material to achieve and maintain certification audits from one of the Global Food Safety Initiative (GFSI) benchmarked audit standards.”

As the proliferation of multiple audits causes some supplier frustration, retailers are encouraged to look at a bigger picture. “As opposed to just mandating specific food safety standards, the most successful retailers communicate with their suppliers and partners about how important food safety is to them,” says PMA’s Whitaker. “They verify the supplier’s program is in place and work with the supplier to ensure the program works. Mandating specifics has led to a multiplicity of audits and frustration. The personal responsi-

bility for the safety of the product should be at the source. When buyers are too prescriptive it causes anxiety and increases cost. The best solution is to be informed, be adaptable, look for ways to recognize equivalency and communicate what their needs are as a buyer.”

Most advisably, retailers should know their suppliers first-hand and be intimately familiar with their food safety practices. “Retailers should really know who their suppliers are,” advises Whitaker. “This can be difficult since they have so many. We want to see proactive

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Reader Service # 51

THE CONUNDRUM OF PRODUCT TESTING

Product testing is increasingly being used by buyers in certain situations, yet it remains a divisive topic. “Microbiological testing is one of the most contentious issues in the produce industry today,” states Dr. David E. Gombas, senior vice president of food safety and technology for the United Fresh Produce Association in Washington, DC. “Some customers believe it is important to include microbial safety testing as a key component of a comprehensive fresh produce food safety system. Testing can provide verification of the effectiveness of a supplier’s preventive controls. Wise customers do this with recognition that microbiological testing does not make a product safe and, at best, will only detect grossly contaminated product. From recent outbreaks associated with fresh produce as well as from FDA’s own testing of fresh produce at the retail level, we know microbial pathogens can pass through even the best-designed preventive control systems.”

“We believe product testing plays an important role with food safety, as testing can verify a food safety system is properly working,” says Maria Brous, director of media and community relations for Lakeland, FL-based Publix Super Markets Inc. “Product testing is best achieved before product reaches the retail stores. Using a scientific risk-based method, we require a test-and-hold for certain foods such as ground beef and sprouts for pathogen testing. For leafy greens sold at Publix, pathogen testing is conducted in many locations, including the fields from which they were harvested, environmental sampling throughout the processing plant and finished product. No product should be shipped to Publix until all associated test

programs have concluded there were no pathogens associated with the production of leafy greens. However, product testing should not be considered a single control mechanism that works by itself. It takes all food safety processes working together to provide safe, high quality products to our customers.”

While product testing can be a useful tool, it is not without its challenges both scientifically and operationally. Dr. Bob Whitaker, chief science and technology officer for the Produce Marketing Association, (PMA) in Newark, DE, explains, “It is critically important to understand what you wish to accomplish, the value product testing might bring to your program, how you will use the results and how you will communicate those results before implementing a product testing program. It is also important to identify a testing laboratory that meets your program needs. The technology can be complex and it is changing quickly. It is in your best interests to identify a testing partner that can clearly describe the tests being performed and understand what they mean.”

“We need to be very clear about what finished product testing can do, and what it can’t do,” agrees Bill Pool, manager of produce food safety for Wegmans Food Markets, based in Rochester, NY. “Finished product testing by itself is not a guarantee of safety. I’m concerned about giving folks a false sense of security with pathogen testing of finished product. A pathogen like *E. coli* 0157:H7 doesn’t require many cells to cause illness; some estimates are that as few as 10 living cells can cause illness. You can’t test your way to food safety, and not finding it on one package doesn’t mean it’s not in the next package. I think it’s best to concentrate on prevention up front.” **pb**

retailers who know all the people supplying them and what specifically they’re doing in the area of food safety. From a producer side, we’re seeing interaction evolving more into a partnership. Suppliers are providing value to retailers by having risk-based and science-based programs in place.”

As an example, Wegmans works with smaller local suppliers to ensure they have proper procedures implemented on their

farms. Bill Pool, manager of produce food safety for Wegmans, explains, “It’s important to stress the value of relationships in the produce business and the importance of knowing your suppliers. We make a point of visiting our suppliers regularly. Our approach is to concentrate on the items most commonly linked to illness outbreaks, and we’ve required our small growers to use the USDA Good Agricultural Practices (GAP) audit. We’ve made a

“Our food safety teams are constantly in our stores auditing food safety procedures, coaching associates on Best Practices, and teaching safe food-handling techniques. Our recall process is second to none.”

— Tracy Pawelski, Ahold USA

point of requiring the same practices from our small growers as we do our larger suppliers.”

In-House Training

Retailers and foodservice operations have long been regulated in many aspects under public health programs, but have stepped up with additional produce-specific initiatives. “I’ve seen a number of retailers extremely proactive in the area of food safety,” reports PMA’s Whitaker. “They have inspectors, audits and training, but often suppliers aren’t aware of what buyers are doing. There is a need to communicate what they’re doing in-house back to the growers in addition to what they expect from their suppliers.”

“Our food safety teams are constantly in our stores auditing food safety procedures, coaching associates on Best Practices, and teaching safe food-handling techniques,” explains Tracy Pawelski, vice president of external communications for Ahold USA in Carlisle, PA, which supports nearly 750 stores in the Northeast and mid-Atlantic. “Our recall process is second to none. Stores are required to report all affected product has been removed. We have a process to block the sale of any recalled product at the checkout to ensure no recalled items are inadvertently sold to customers. And, we have used loyalty card information to help us identify customers and call them at home to let them know they purchased a recalled product.”

Education and training of store personnel is a major focus. “We want to be sure store employees recognize the importance of food safety,” says Hollingsworth. “All store managers and department managers should be trained and certified as food-handlers. Our SuperSafe-Mark program incorporates both training and certification. It’s important for personnel to

“As opposed to just mandating specific food safety standards, the most successful retailers communicate with their suppliers and partners about how important food safety is to them...The best solution is to be informed, be adaptable, look for ways to recognize equivalency and communicate what their needs are as a buyer.”

— Dr. Bob Whitaker, Produce Marketing Association

understand what needs to be done to keep food safe and why it's important.”

“Safety begins at home, and retail/foodservice companies are working to ensure produce handlers in their operations are trained in safe produce-handling practices,” describes United’s Gombas. “This includes having clearly defined specifications, inspecting produce on receipt, temperature control issues, handling, washing and preparing, training in worker health and hygiene practices and safe storage and display practices. The 2009 Food Code, which has been adopted by many states as the basis of food safety regulations for retail and foodservice operations, provides numerous examples of such practices.”

Major retailers have invested heavily in training for their employees at all levels. “Training is an important part of the process and we have extensive computer-based training for our store folks,” reports Wegman’s Pool. “It’s modular with people getting additional modules as their potential for contact with finished product increases. Many of our people have taken the FMI’s SuperSafeMark training and we have food safety-trained management in all our stores. In the distribution centers, we provide food safety and personal safety training to drivers, receivers and selectors. Food safety training covers the importance of temperature and the cold chain, building and vehicle cleanliness, personal hygiene and other food safety topics. Between the stores and our distribution centers, we’ve provided food safety training to hundreds of people. Training needs to be relevant and we’ve found it helpful to try and make it personal.”

“Food safety training at Publix comes in many formats, including new hire training, department-specific food safety training,

monthly food safety focus programs and food manager certification,” explains Brous. “Several months ago, the U.S. Food and Drug Administration (FDA) recommended all restaurants and retail grocery stores employ certified food safety managers. Our commitment to food manager certification dates back to 1999 when company leaders identified the need for enhanced food safety training and practices. At that time, Publix committed to have all staff associates both directly and indirectly involved with retail operations obtain Food Manager Certification. Our leadership set

the expectations for this certification from the top down — our CEO, president, and other leaders obtain their Food Manager Certification. This helps establish the expectations for all associates that food safety is vital to our business. We utilize the SuperSafeMark comprehensive food safety training and certification program.”

Ahold emphasizes the importance of professional affiliation. “Our food safety team is certified by the National Registry for Certified Food Safety Professionals,” states Pawelski. “They participate in professional associations such as the International Food Technologists, Association of Food and Drug Officials, and the Food Protection Committee of the Food Marketing Institute and have developed strong working relationships with all of the food inspectors who regularly visit our stores.”

Best Practices

Food safety is one area where retailers are open to sharing information. “Food safety and quality have become important discussion topics between chains,” reports PMA’s Whitaker.

“Our members are very willing to share their Best Practices in food safety and don’t view it as a competitive area,” states FMI’s



IMAGE COURTESY OF PARTNERSHIP FOR FOOD SAFETY AND EDUCATION

“Publix uses the GS1 Rapid Recall Exchange portal as one of our sources of information regarding product recalls. We understand the need for the supplier community to rapidly disseminate accurate recall information to the retail and foodservice community.”

— Maria Brous, Publix Super Markets Inc.

Hollingsworth. “They often come together and talk about what Best Practices they’re using. As a result, we’ve developed numerous valuable guidance documents to share on

these Best Practices.”

Publix reports being active on both local and national food safety levels. Brous explains, “Associates from our Corporate

Quality Assurance department are actively engaged with the Conference for Food Protection and the International Association for Food Protection to address the growing issues in the world of food safety. We routinely collaborate with working groups, such as the Conference for Food Protection and the International Association for Food Protection to address complex food safety questions,” continues Brous. “Publix uses the GS1 Rapid Recall Exchange portal as one of our sources of information regarding product recalls. We understand the need for the supplier community to rapidly disseminate accurate recall information to the retail and foodservice community. However, we do not rely solely upon our suppliers to inform and



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“The retail community is very involved in the Center for Produce Safety. We’ve certainly seen their interest in research through their participation at a board level and at our symposium.”

— Bonnie Fernandez-Fenaroli, Center for Produce Safety

initiate recalls. If our internal control systems such as customer complaints or internal testing indicate a potential problem, we quickly remove the product from our stores and notify the appropriate supplier and regulatory authorities.”

Sharing of Best Practices has helped promote innovation and excellence in the retail food safety arena. “Innovation in this area is usually driven from two places,” explains Rutgers’ Schaffner. “First, the bigger companies that have more muscle, such as Wal-Mart establish required standards. Then, there are companies that are more nimble and cutting-edge like Wegmans, which develops innovative programs. From there, it ripples through the industry as people want to get onboard.”

The future is forecast to yield increased information and technology, sharing Best Practices not only within retail, but also along the entire supply chain. “I think we’re going to see some innovation and changes in the next 10 years in terms of trace-back and traceability technology,” says Schaffner. “We’ll see more computerized recordkeeping and having systems at retail that will talk to people throughout the chain.”

Consumer Education And Outreach

One of retail’s strongest benefits is their connection to the consumer, and they are harnessing this connection for food safety. “We feel we have an obligation and responsibility to help consumers understand the role they have in food safety,” says FMI’s Hollingsworth. “We work with the Partnership for Food Safety and Education (PFSE) most known for the FightBac! campaign. They do a number of things to educate consumers.”

The PFSE is a nonprofit with a mission to save lives and improve public health through research-based actionable consumer food safety initiatives, which reduce foodborne illness. In 2004, The Partnership created the FightBac! program around the safe handling of fresh fruits and vegetables. The platform for consumer food safety education engages retail-

ers and the food industry and provides Be Food Safe communications and material for use with customers.

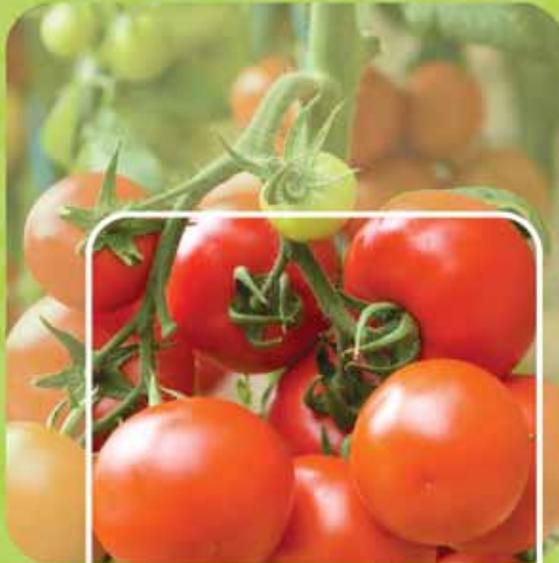
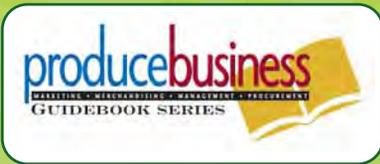
“We partner with groups such as the PFSE to sponsor the FightBac! Program and the Food Allergy and Anaphylaxis Network to raise awareness for food allergens,” says Brous. “In 2010, we sponsored food safety days at retail markets in Central Florida to raise awareness directly with our customers. We continue to seek out new and innovative methods for raising the importance of food safety with our store associates and customers alike.”

In addition to educating the consumer, retailers have also been supportive of efforts to research and educate the industry in general. “The retail community is very involved in the Center for Produce Safety,” reports Bonnie Fernandez-Fenaroli, executive director for the Center for Produce Safety in Davis, CA. “We’ve certainly seen their interest in research through their participation at a board level and at our symposium. The CPS supports a comprehensive approach to food safety reaching out to all industry stakeholders regardless of their experience with food safety problems or research needs, and facilitates an open dialogue between researchers and all business segments.”

“Trace-back, testing and training are all key areas,” says Rutgers’ Schaffner. “Computer modeling and risk assessment are a big focus for us. We’re looking at how all the different factors play into the safety of produce products and building computer models representing reality to help us do experiments we really can’t go out into the field to do.”

Wegman’s Corsi adds, “There’s a lot of research going on that will provide new knowledge and it may lead us in different directions. It may well cause us to change or modify things we do today. At the same time, there are some constants that haven’t changed; things like time, temperature and personal hygiene are every bit as important today as they were 20 years ago. It’s safe to say produce food safety is an evolving situation and things will continue to change.”

pb



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Four areas make Produce Pro unique: the depth and breadth of their ERP software, the industry-specific experience of their people, the forward thinking and practical nature of their diverse customer base, and the personal care of their customer support. Started in 1990, Produce Pro has just celebrated their 20th anniversary with their first customer Caruso, Inc. in Cincinnati. "We think of ourselves as the last system our

customers will ever need," states Dave Donat, president of Produce Pro.

Their 115 plus customers include some of the largest publicly traded companies in produce distribution. These companies use Produce Pro to manage their relationships with regional and international growers and suppliers. They use the system to track products through their ports, various warehouses, processing operations, and ultimately to improve their sales-to-cash process. Additionally, Produce Pro takes great care in supporting small and mid-sized produce companies. Customers throughout the U.S. and Canada use Produce Pro to efficiently track the nickels and dimes that make produce companies profitable.

Produce Pro has grown to a team of more than 55 professionals and has recently moved into a new facility to accommodate their growth. According to Tony Zuccato, vice president of operations, "Produce Pro's services started out as a means for enhancing the system, training users, and implementing software. Over the years we have added

seasoned industry professionals and have seen our service offerings expand to include improving warehouse operations and other industry specific consulting engagements, helping organizations save money by streamlining business processes."

With the Produce Traceability Initiative on the horizon, Produce Pro has stepped up. "I have taken it upon myself to be on the cutting edge of the PTI," comments Donat. "Our system has always been able to trace product, but now my goal is to ensure Produce Pro's users have the tools to meet the demands of their customers. I actively participate on the PTI Technology Committee and work closely with members on other committees as well."

At a technical level, Produce Pro subscribes to a "keep-it-simple" approach. Produce Pro has written and supports all their modules, resulting in customers only needing to call one number for help. Produce Pro software supports communications with trading partners via EDI and interacting with third parties for trip routing or other specialized functionality. "Our accounting, E-commerce, and WMS (Warehouse Management System) are fully integrated," explains Donat. "Additionally, our technology architecture allows us to make custom changes for our customers and implement them in a short period of time."

To see a full listing of Produce Pro's customers and to learn more about their products and services visit their website at www.Producepro.com.

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N2N Global is the industry leader in "End to End" business solutions for the fresh foods and perishables supply chains. They provide Agri-ERP, Food Safety, Traceability, and Agri Business Intelligence software integrated together in a single solution for vertically integrated companies in the perishables industry. Clients range from small privately held businesses to multinational companies with over \$5 billion (USD) in revenues.

Beginning over 27 years ago as Kirkey & Associates in the citrus groves of Florida, today N2N spans four continents and handles all forms of perishable products for all segments of the food supply chain. They have a robust supply chain management solution that ties into their backoffice systems providing full integration and transparency into a business including PTI compliance. N2N Global's staff has knowledgeable professionals with industry and commodity expertise as well as technology experts that know how to architect systems consistent with client business needs.

N2N's Knowledge integrated Software Suite or "KiSS" is an integrated applications suite of comprehensive enterprise resource planning software that combines business value, standards-based technology, and deep industry experience into a business solution with a low total cost of ownership.

N2N offers 20 application modules to support a diverse set of business operations. N2N's Best in Breed Financials Reporting and Accounting Package provides an intuitive, multilayered interface that delivers individualized views of financial metrics. The information is available to CFO's because they can quickly assess financial and compliance performance, drill down to supporting data, identify potential issues, and take appropriate action.

N2N provides leading edge Food Safety Manager (FSM) software which offers agribusiness companies the ability to establish HACCP protocols, electronic document control, audit trails, operational compliance and QA / QC processes in a single portal which correlates back to the sales order and even

"N2N provides Agri-ERP, Food Safety, Traceability and Agri Business Intelligence integrated together as a single solution driving real agribusiness value."

the grower lot.

N2N's Executive Dashboard and Business Intelligence tool is the industry's most robust, well thought out instrument to help provide executives and owners with immediate, actionable information for their businesses. Whether you're looking at reports on your blackberry or logging into your computer, N2N offers hundreds of standard reports all designed for your business and industry. With our ad-hoc reporting capabilities, users can easily create their own reports with minimal to no IT involvement.

N2N's efforts to be thought leaders have produced some of the industry's most exciting innovations including:

- The N2N University which assists in training new and existing employees in basic, intermediate, advanced and expert level software and IT focused education while also offering project management and leadership courses.
- Traceability Source announced in November 2009: a free service offered by N2N Global whereby companies can extend their traceability solutions to the item level.
- In January 2010, N2N Global developed an open source, free PTI compliant solution for use by those with voice pick technology in their warehouse or distribution center.

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Silver Creek Software (SCS) focuses on delivering a state-of-the-art, high-quality ERP accounting and management system to fresh produce distributors, growers, packers, shippers and brokers. Established in 1982 by John Carpenter, president, and Tina Reminger, vice president, the company flourished as a family-owned business throughout the '80s and '90s, eventually receiving IBM's top VAR award of 1988 and Inacom's President's Award of Excellence. The company's increasing orientation toward software development led it to deliver Visual Produce in 1993 to its first produce distribution customer.

"Since then, we have installed Visual Produce in over 85 companies, both in the United States and abroad," says Reminger. "Many of our customers have experienced explosive growth in their respective markets, and Silver Creek Software has met or exceeded the related challenges of accommodating those changing business needs."

SCS' Visual Produce accounting software has several key operational and financial capabilities. Carpenter explains, "Standard Visual Produce modules include sales orders, purchase orders, inventory processing, accounts receivable, accounts payable and general ledger. Optional modules include payroll, packing plant manager, grower settlements, brokerage management, fresh-pack processing, repack management, warehouse management, crop accounting, EDI — Electronic Data Interchange and Traceability solutions."

Additionally, there are software enhancements such as customer menus, route analysis and management, contract pricing, soft breaker units, commodity boards, business status reports and lot tracking, which allow users to maximize their productivity while using Visual Produce. "When you buy Visual Produce, you get a full copy of Sage Pro Enterprise," reports Carpenter. "This is a robust and feature-rich accounting and ERP system with over 25,000 installs worldwide. The feature set is comparable to programs such as MS Great Plains, MAS 200, Navision, ACCPAC Advantage and other business accounting systems."

Visual Produce can be integrated with Sage CRM, a powerful customer relations management system. "Sage CRM is an easy-to-use, fast-to-deploy, feature-rich CRM solution providing enterprise-wide access to vital customer information — anytime, anywhere. With Sage ACCPAC CRM, you can better manage your business by integrating field sales, internal sales, customer care and marketing information," Carpenter further explains.

The software allows customized sales and operations tracking boards to be designed to address specific business

VISUAL
PRODUCE



challenges, such as tracking order status, load status, item status and alerts on problems. "Through the use of ProAlert, Visual Produce can be set up to automatically notify managers or users when pre-defined alert criteria are met," states Reminger. "As an example, an e-mail alert can be sent to a manager whenever an order margin amount falls below a specific value. Or a report can automatically be generated and routed to an individual at the same time every day. This tool is limited only by your imagination."

Visual Produce provides easy access to data from many different tools including Report Writer, Data Cubes, Excel, F9 (an Excel-based financial report tool), Visual Internet Online Ordering, ZetaFax, Roadnet and many others. "Our software's unique features and benefits ensure our customers are never told the program doesn't work the way they need it to, they have to change their business practices or they have to wait until the next version of the software becomes available before a problem is fixed," Carpenter adds.

Visual Produce's Internet connectivity allows order entry via the Web, and it gives customers access to reporting and data publishing capabilities. "Some of our current customers have more than 60 percent of their orders being entered through Visual Internet," according to Reminger.

SCS advises thinking on a long-term, large scale when looking at software needs. "When choosing software think long term," suggests Reminger. "Remember your business needs will change and your software needs will need to change as well. Also, ask to speak with customers and ask them about service and product. When you buy software, you enter into a close-knit relationship with your software provider."

Reminger cautions companies to realize the IT industry is much bigger than just their ERP software provider. "How does the program you are evaluating fit into the big picture?" she asks. "Is it proprietary or open? What operating systems does it run on? Are the programs and data accessible to other entities in the market?"

Produce companies currently using Visual Produce for wholesale distribution and processing include Coastal Sunbelt Produce, Pacific Coast Fruit, Baldor Specialty Foods and Loffredo Fresh Produce. Companies using the software for distribution, packing and grower settlements include Country Fresh Mushrooms, Sweet Clover Produce, Global Agri and MCL Distributing.

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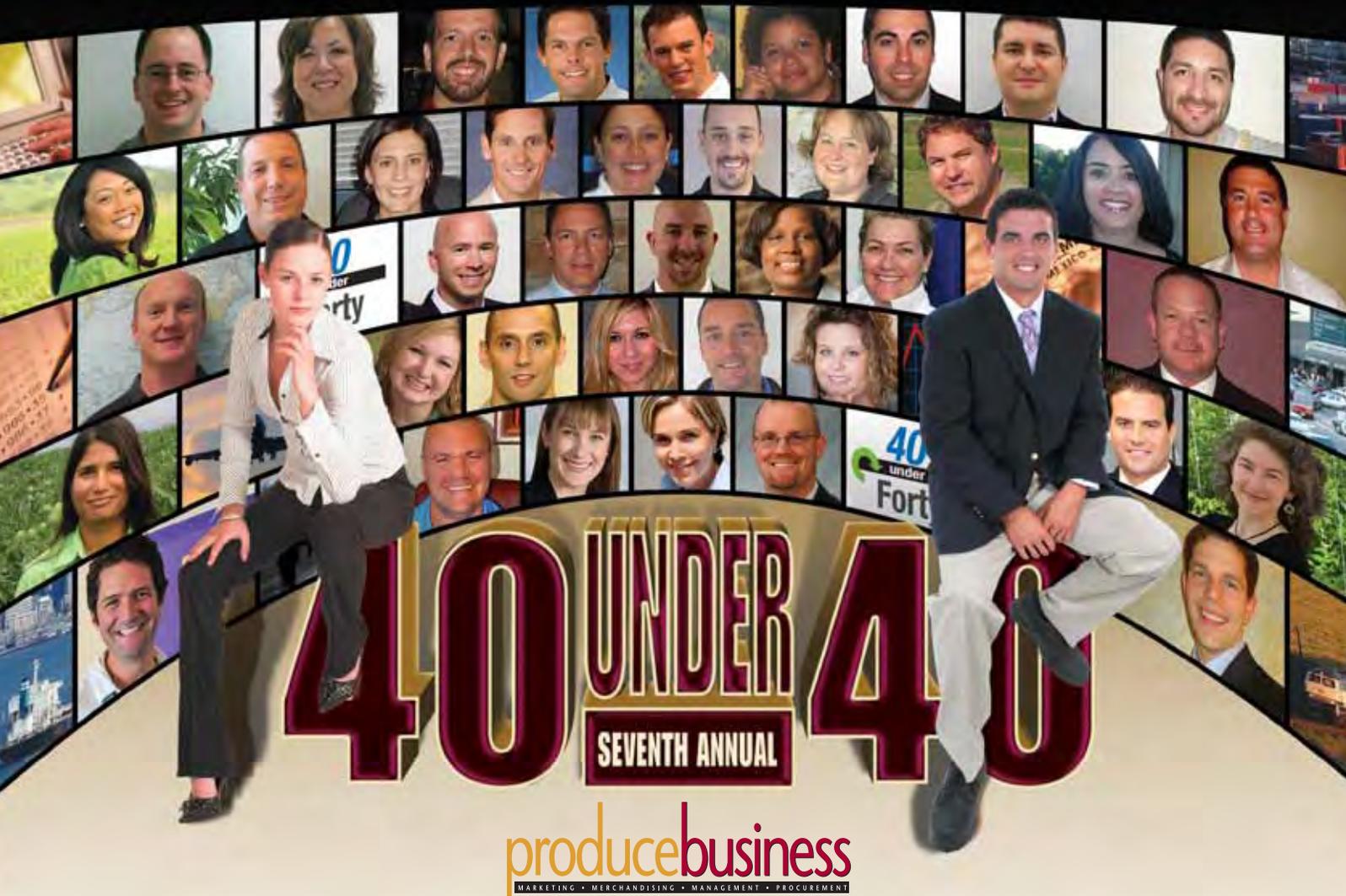


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PRODUCE BUSINESS is accepting nominations for its Seventh Annual 40-Under-Forty Project, which recognizes the produce industry's top young leaders.

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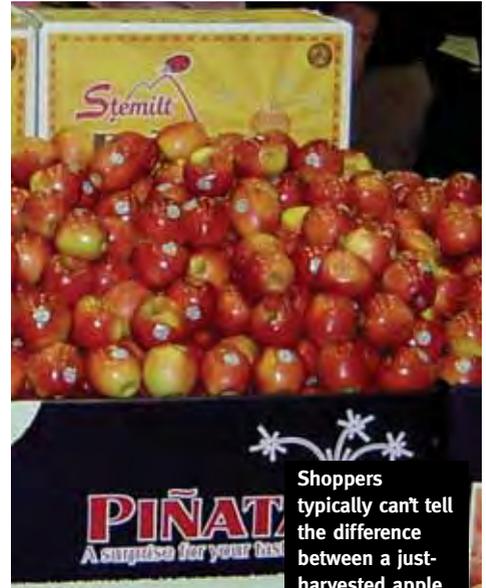
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Recent Advancements And Greater Understanding Of CA Storage Boost Winter Apple Sales

Winter apple sales excellent, with quality equal to fresh-picked apples. **BY BARBARA ROBISON**

Today, during winter months, consumers enjoy apples that are of quality equal to those that are fresh-picked in the fall, thanks, in part, to advanced storage technology. Shoppers can select from a myriad of apple varieties during the January-to-March period. Red Delicious, Golden Delicious, Red Rome, Pink Lady or Cripps Pink, Granny Smith, Fuji, Gala, Empire, McIntosh, Braeburn, Crispin, Cortland and Cameo are among those attracting customers to retailers' shelves.

"Most consumers are unaware that apples purchased in February were harvested in September or October," states Chuck Sinks, president of sales and marketing at Sage Fruit Co. LLC, in Yakima, WA. "When comparing the two, you will not be able to tell a difference in appearance, quality or eating experience."

Nearly all apple marketers agree that winter apple sales do not fall and may even increase because controlled atmosphere (CA) storage technology has improved dramatically. "Our sales usually rise during the CA season," reports Roger Pepperl, marketing director at

Wenatchee, WA-based Stemilt Growers LLC. "We have a full variety in storage at that time, and flavor from starch conversions to sugar are at their best in many varieties. Most customers have no idea how heavily we invest in storage, which modify the atmosphere that the apples live in post-harvest."

"We understand the apple physiology better than we did in the past," says Suzanne Wolter, director of marketing at Rainier Fruit Co., headquartered in Selah, WA. "This helps us manage the storage of the various varieties, so our customers are offered top quality fruit in a timely manner."

Some consumers may be aware that apples come from storage in the winter, but others may think they are just picked. The fruit is crisp, crunchy, juicy and flavorful, according to Jim Allen, president of the Fishers-based New York Apple Association (NYAA). "There is a constant turning over in cold storage," he states. "Our growers may only store the apples for a week or perhaps longer, depending on what they feel provides the greatest consumer satisfaction."

"Even if customers are aware that the

apples come from storage, they continue to buy those that store the best," says Dwayne Smallwood, produce manager at Okies Thriftway Market, a single unit retailer in Ocean Park, WA. "Cameos, Fujis and Braeburns are popular varieties in our market."

Canadian apple growers and marketers share the same feelings as their counterparts in the United States. A CA season no longer exists, according to Tom O'Neill, general manager of The Norfolk Fruit Growers' Association, based in Simcoe, Ontario, Canada. "Consumers expect quality apples consistently," he says. "CA is one technique that helps provide the level of quality expected by both retailers and their customers."

"Every apple variety has its unique characteristics," says Jim Mertz, vice chairman and partner at Symms Fruit Ranch Inc., located in Caldwell, ID. "Farmers are challenged to grow each one in the proper manner to provide the best apple. We employ the latest packing and storage facilities, and as technology advances, we will advance with it."

Growers and marketers are aware of how

“As apples come out of CA hibernation they sometimes manifest accelerated ripening when they warm up. In this case, it is especially important to maintain proper refrigeration temperatures throughout the distribution channels.”

— Addie Pobst, CF Fresh

temperatures affect the internal apple structure, due to variations in sugar content and pressure. They set schedules accordingly, fine tuning their facilities and operations. “The hottest thing now with CA storage is determining how to optimally store apple varieties that are not storage-friendly,” reports Sage’s Sinks. “Honey Crisp, for instance, does not store well because it is susceptible to bitter pit. Variables such as oxygen and nitrogen levels, room and core temperatures can be manipulated to discover the best conditions for storing that kind of fruit.”

Refrigeration And Rotation Key For Retailers

“As apples come out of CA hibernation they sometimes manifest accelerated ripening when they warm up,” cautions Addie Pobst, import coordinator/food safety officer for CF Fresh, based in Sedro Wooley, WA. “In this case, it is especially important to maintain proper refrigeration temperatures throughout the distribution channels.”

“I like the old adage, ‘If you want them sold, keep them cold!’ says Lee J. Peters, vice president sales and marketing for Wolcott, NY-based Fowler Brothers Inc. “The cold is the process that delivers the crunch.”

Mertz of Symms Fruit Ranch reports, “The amount of retail shelf space allocated for apples during the CA season may diminish with some companies, not necessarily with others, but this depends on the marketing plan of each retailer, not the shipper. Our company makes a conscious effort to be customer-responsive. We don’t tell retailers how to conduct their business, but we urge them to keep apples under refrigeration, and rotate stock in a timely manner.”

Four new CA rooms, with state-of-the-art equipment, allow Pavero Cold Storage Corp., in Highland, NY, to support retail-driven promotions with the top available apples. “We’ve developed mutually beneficial partnerships with our best customers, and offer unsurpassed quality, ensuring successful promotions,” says president Joseph G. Pavero.

Albert’s Organics sends out an electronic newsletter to over 4,000 retail customers around January 1st explaining and detailing the CA storage process, believing education is key.

Many Sources Provide Retail Promotional Support

“Sales are consistent from January to March; then one of our biggest apple sales times can be April and May,” reports produce director Lee Reynolds of Hagggen’s Inc., a 32-store chain headquartered in Bellingham, WA. “During winter, we run an ad virtually every week on at least one variety. We carry about 13 apple varieties, including six or seven major ones.”

The U.S. Apple Association, (USAA) in Vienna, VA, provides its member producers and their retail customers with tools to drive apple sales. It works with recognized chefs to create apple-inspired recipes and soon will launch a new Web site, with an extensive recipe section targeted to consumers and the media. “We annually fund research on the health benefits of apples at Cornell University and many other institutions,” declares spokesman Todd Hultquist, director of communications and membership. Publicizing the results of the studies on diseases, such as cardiovascular and cancer, helps reinforce the fact that apples are not only good to eat, but good for you, too.”

Regional apples are not promoted as heavily in the winter, which gives Washington apples even more ad space, according to Pepperl of Stemilt. “Some of our best apple ads, especially apple-ramas with five or six varieties on ad at once, and apple-of-the-month promotions, are successful in winter,” he adds.

Sage Fruit sponsors race car driver Kasey Kahne, and Race Day promotions are used at the start of the NASCAR season in February. “Other promotional programs will work well for some retailers, but not for others,” acknowledges Sinks. “We design our programs around individual retailers, rather than one-

APPLE VARIETIES EXPAND FOR WINTER CUSTOMERS



PHOTO COURTESY OF COLUMBIA MARKETING INTERNATIONAL CORP.

Two new niche apple varieties will be available exclusively this winter from Wenatchee, WA-based Columbia Marketing International (CMI) Corp. Kiku is a super sweet apple; the Kanzi, with an intense tart/sweet flavor, will be in limited volume. The Ambrosia apple, exclusive to CMI, has had steady sales increases in the past three years and is now the fastest growing of the apple varieties.

Rainier Fruit Co., headquartered in Selah, WA, will market a new variety, Junami, in January, and increase availability of organic Lady Alice, going into markets in March. “We are looking for varieties that store well, with a good flavor profile for later in the season,” explains Suzanne Wolter, director of marketing. **pb**

size-fits-all.”

The weather in New York does not lend itself to producing the best quality organic apples. However, homegrown and locally grown trends are extremely important promotional concepts in the New York apple marketing areas, according to Allen of the NYAA. “We will also conduct good health and weight loss promotions after the holiday period,” he adds. “In March, we tie in with cancer prevention programs.”

Locally grown is an excellent selling point for Stanley Orchard Sales Inc., in Modena, NY. “We make it possible for retailers to keep shorter inventories because we can deliver fruit overnight to the markets serviced,” states Tony Maresca, sales manager. “It’s a great tool for assuring freshness for the consumer.”

“The apple category has exploded,” declares Stanford C. Steppa, vice president of



PHOTOS COURTESY OF PINK LADY AMERICA

Pink Lady USA will be promoting its apples during winter and spring holidays.

Side Note

NEWER CA SYSTEMS HELP KEEP APPLE QUALITY HIGH

Loren Queen, marketing and communications manager at Yakima, WA-based Domex Superfresh Growers LLC. “We are always evaluating new products or procedures to help us achieve even higher quality fruit.” Products like Harvest Watch, a software program that tracks and monitors CA storage apples, plus improved monitoring and control of ozone, allow us more flexibility and quality, particularly with organic apples.”

Bob Mast, vice president of marketing at Wenatchee, WA-based Columbia Marketing International (CMI) Corp., contends Harvest Watch helps take fruit later into the season, especially organic apples.

Tom O’Neill, general manager of The Norfolk Fruit Growers’ Association, based in Simcoe, ON, Canada, thinks Smart Fresh, a chemical that helps to maintain the quality of harvested fruit, has been the most significant recent advancement in CA storage technology. “It works with nature’s ripening process by preventing the over-ripening effects of ethylene while the fruit is in storage, maintaining apple freshness,” he explains.

However, Smart Fresh technology has not been approved for organic apples, adds Simcha Weinstein, director of marketing at Albert’s Organics Inc., in Bridgeport, NJ.

pb

Magruder Inc., a Rockville, MD-based grocery store with seven stores. “We feature apples in our newspaper ads throughout the year. It used to be just a few varieties, but now we promote many varieties as the different ones are readily available.”

Pink Lady USA, in Yakima, WA, and the Cameo Apple Marketing Association (CAMA) in Wenatchee, WA, represent two newer apple

“Some of our best apple ads, especially apple-ramas with five or six varieties on ad at once, and apple-of-the-month promotions, are successful in winter.”

— Roger Pepperl, Stemilt Growers LLC

varieties. Pink Lady USA is conducting a holiday promotional trilogy. The first focuses on the New Year’s period, followed by Valentine’s Day and Mother’s Day promotions. “The promotions will be supported with media coverage and events, such as a Flash Mob Dance in San Diego, California,” says Alan Taylor, marketing director for Pink Lady. “We will be using social media, and will have a new calendar and a line of Pink Lady t-shirts.”

Meanwhile, CAMA has planned a three-pronged program for retailers. “We will provide merchandising support with tri-wall bin sleeves and an ad program on Facebook in local areas,” describes Kevin Precht, marketing program director. “We have heavy industry data on Cameo performance to share with customers. Also, Cameo has the only varietal-specific quality program, with shippers using consistent applications to assure retailers of top quality.”

Imports Don’t Affect Winter Apples

A major goal of domestic apple growers and marketers is to supply their retail customers with top quality fruit for 12 months.

There is little competition from imports during January through March. However, when spring arrives, apples from the Southern Hemisphere and New Zealand appear on retail market shelves. This helps make quality apples available throughout the year.

Honey Bear Tree Fruit Co. LLC, in Wenatchee, WA, markets fruit from the upper Midwest, Washington State and the Southern Hemisphere, providing retailers with quality apples year-round. “We look at apple production as global, focusing on the best fruit and best varieties, with domestic fruit being our priority,” states president Fred Wescott. “We bring in Southern Hemisphere apples when advisable to assure retailers continuous quality supplies. In the future, we will be looking at growing specific varieties in specific regions because we believe that’s how consumption can be maximized to grow the whole apple category.”

During winter months, Canadian consumers notice an increased presence of apples from Washington State and the

Southern Hemisphere. Retailers may also import specific varieties from Europe if local shortages occur. “Of the Canadian apples available, many Canadians choose these over the imports,” reports Kelly Ciceran, general manager of Ontario Apple Growers, based in Vineland Station, ON, Canada. “A recent Nielson survey revealed that 75 percent of Canadian consumers would choose local products over alternatives.”

“The imported apples from the Southern Hemisphere are a complement to our marketing season because it keeps retailers shelves full until our new crop is available,” says Peters of Fowler Brothers.

CF Fresh imports organic apples from South America. “When they overlap with domestic storage apples, there are buyers for each. Our sales team provides customers with the fruit that best suits their needs,” states Pobst.

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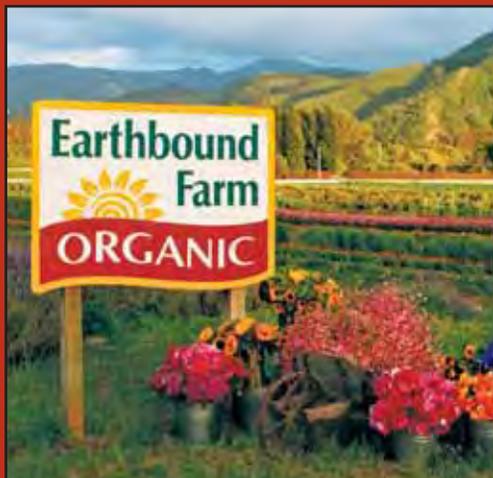
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Reader Service # 58

Six Ways To Grow Spud Sales With Value-Added Potatoes

Despite a higher price point than bulk fresh potatoes, retailers are finding creative ways to bring their core consumers to the value-added category. **BY CAROL M. BAREUTHER, RD**



PHOTO COURTESY OF ALSUM FARMS & PRODUCE INC.

Alsum Farms' steamer-bag potatoes come in two varieties, cook in five minutes and serve one to two people.

There isn't anything simpler to prepare than a potato. Bake it. Mash it. Fry it. No recipe is required, but one big ingredient is time. The need for speed between pantry and plate is what launched the frozen and dehydrated potato industry back in the early 1960s; the refrigerated fresh-cut segment in the late 1990s; and now the fresh value-added potato business in late 2008. This latest emerging and potentially profitable slice of the fresh potato category calls for a new mindset when it comes to merchandising these products most effectively.

Rick Steigerwald, produce director for both Lunds Food Stores and Byerly's Inc., both headquartered in Minneapolis, MN, asserts, "When you bring in a new potato product you need to do more than just put it out on the shelf. Make a splash, and get the word out to you customers."

1. Define Value-Added?

There is no one industry definition of a value-added potato product. This might cause confusion or creative opportunity, depending on how you look at it. However, there are a few attributes that describe these products on

which most everyone agrees.

Mac Johnson, president and CEO of Category Partners LLC, a Denver, CO-based joint venture marketing organization formed by Idaho Falls, ID-based Wada Farms Marketing Group LLC and Farm Fresh Direct LLC, in Monte Vista, CO, says, "I'm sure most retailers and suppliers would probably include 'convenience' in the definition."

"In addition to convenience," says Rick Kantner, director of sales and marketing for Alsum Farms & Produce Inc., in Friesland, WI, "value-added also means easy and rapid preparation."

Microwave-ready russets and potatoes packaged in steamable bags with and without seasonings fit this description. These are among the products tracked as value-added by the West Dundee, IL-based Perishables Group's FreshFacts powered by AC Nielsen. According to year-to-date figures through September 25, 2010, the value-added potato segment represents 1.1 percent of the total potato category's pound sales and 2.3 percent of the dollars.

Johnson explains, "While this doesn't sound like much, given the size of the potato category, it's making an impact. Consider also that while the value-add segment was down 2.1 percent

in pounds and 9.3 percent in dollars, steamer bags were up 12.5 percent in pounds and 10.4 percent in dollars, representing a small but growing piece of the business."

Randy Shell, vice president of marketing for RPE Inc., in Bancroft, WI, adds, "Beyond this, the evolution of the value-added potato category is really two parts. First, you have traditional value-added products like microwavable bagged products. The second is the actual evolution of the potato. For example, we've launched a line of baby gourmet potatoes with unique flavors and bold colors that re-imagines traditional potatoes."

In the end then, the definition of value-added potatoes is fairly broad. Johnson sums it up this way: "For some consumers, convenience is a real driver for purchase decisions, so anything that helps here is a value-add. For others, it might be a recipe or serving idea, so they might perceive a package with this information or help as a value-add. But for others, it might be the right package size for what they want or need. For example, a 5-lb. bag might be too large for some, and hunting for the exact size they want through the bulk bin is more time than they want to spend. So the perfectly



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“Make value-added potatoes part of a meal deal. This could be achieved by signage, or in an ad circular, or by cross-merchandising all the items together with a recipe in one location. It’s a great way to encourage and build trial.”

— Don Ladhoff, United States Potato Board

sized three- or four-pack trays for them are a value-add.”

2. Offer A Variety Of Products

Microwave-ready russet potatoes are sold at Martin’s Super Markets, a 20-store chain headquartered in South Bend, IN. Ed Osowski, director of produce and floral, reports, “They’re among the most successful value-added items we carry.”

Several grower/shippers have introduced new value-added potato products. One of them, Farm Fresh Direct added a line extension to its single microwave baker, PotatoH!, with a product that contains three russet potatoes packaged in a microwavable tray and overwrap. Category Partner’s Johnson says, “It’s designed for small families where getting dinner on the table fast is important.”

Beyond russets, Tri-Campbell Inc., headquartered in Grafton, ND, now sells a 5-lb. mesh Grab and Bake tote bag of A-size red-skinned potatoes. Tom Campbell, co-owner, says, “The potatoes are washed and ready to bake. The tote has a picture of the product on the front, recipes for toppings and flavorings on the back, and a handle that makes it easy for customers to carry.”

One of the newest steamer-bag potato products is Fast & Fresh Potatoes from Alsum Farms. Triple-washed either red- or yellow-skinned potatoes are packed in a microwavable 12-oz. steamer bag that cooks in five minutes and serves one to two people.

The handful of steamable potato products now on the market offers different varieties of potatoes, serving sizes, bag-versus-tray configurations, and some have seasonings included to make a complete side dish. “It is really the bag that makes steamable potatoes value-added,” maintains Johnson. “But, customers didn’t get this concept when Wada Farms introduced its Easy Steamer product in 2008. We relaunched the product this summer with a new name, Microwave In Bag, after extensive consumer research including focus groups and in-home testing. Repeat sales are indicative that consumers now understand that the bag is to cook the potatoes in, not just bring them

home from the store.”

Another new product introduced in 2010 by Farm Fresh Direct is a 14-oz. microwavable tray of double-washed assorted fingerling potatoes. “There are many consumers who have had fingerlings in restaurants or seen them on the Food Network, but don’t know what to do with them or how to prepare them,” explains Johnson. “This offering takes the guess work out of the equation.”

Seth Pemsler, vice president of retail and international sales for the Eagle-based Idaho Potato Commission (IPC), reports, “The majority of new value-added potato products are not russets, but other small-sized varieties.”

To this trend, RPE introduced its Tasteful Selections line of gourmet small potatoes in 2010. The line features 19 SKUs in three different sizes and nine varieties. As part of an introductory promotion, Lunds and Byerly’s stores featured five of the nine varieties in two of three sizes. RPE’s Shell says, “Although less than a year old, the line is selling well with penetration at various retailers throughout the United States with sales far ahead of projections.”

“Whether you’re dealing with value-added, specialty or regular everyday potatoes, it’s important to offer shoppers a variety of choices,” advises Ken Gray, vice president of sales and marketing for the Bushwick Commission Co. Inc., in Farmingdale, NY. “This leads to incremental sales.”

3. Solve The Display Dilemma

The ideal spot to display value-added potatoes hasn’t been conclusively proven. However, retailers as well as grower/shippers offer several good ideas. At Martin’s Super Markets, Osowski reports, “We display the microwave bakers and the steamables that don’t require refrigeration with the rest of the potatoes. This makes it easier for consumers to find what type of potato they are looking for.”

Consumers don’t make multiple purchase decisions, the IPC’s Pemsler agrees. “It’s critical to merchandise all non-refrigerated potatoes together.”

Don Ladhoff, retail consultant for the Den-

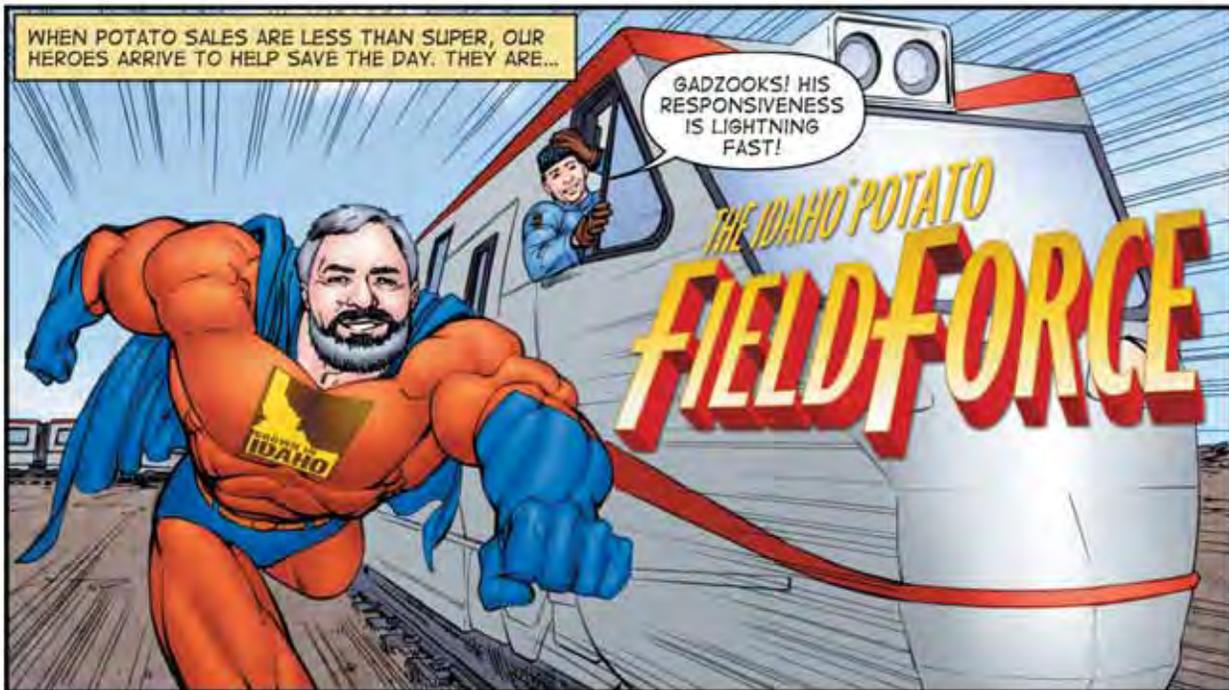
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Reader Service # 67

Raul Gallegos, reveals, “We cross merchandise microwave-ready potatoes in both the meat department and in the deli as a quick lunch idea.”

Wilcox’s Richter suggests, “Other ideal places to cross-merchandise value-added potatoes are next to steaks in the spring and summer and roasts in the fall and winter, as well as adjacent to the rotisserie chicken display in the deli.”

“Make value-added potatoes part of a meal deal,” recommends the USPB’s Ladhoff. “This could be achieved by signage, or in an ad circular, or by cross-merchandising all the items together with a recipe in one location. It’s a great way to encourage and build trial.”

“One of the challenges — and opportunities — in merchandising value-added potatoes is that they could be sold in many places in the store such as produce, meat, deli and even dairy,” explains John McCarthy, senior retail marketing manager for Reser’s Fine Foods Inc., the Beaverton, OR-based maker of a variety of refrigerated mashed and fresh-cut potato products.

5. Overcome Price Hurdles With Creative Promotions

According to Jim Ehrlich, executive director of the Colorado Potato Administrative Committee (CPAC), in Monte Vista, CO, “One of the biggest hurdles in effectively selling value-added potatoes is the price point. Potatoes traditionally are seen as not expensive. It’s sometimes a challenge to get customers to pay for convenience.”

One approach to gain trail is deep discounts, while another is buy-one get-one offers, but this can be costly and not sustainable. Instead, it’s better to offer these products at a realistic price. “Single serve microwave-ready russets are often promoted by many retailers as part of their 10-for-\$10 ad efforts,” reports Category Partner’s Johnson. “Otherwise, they are usually in the \$1.15 to \$1.25 range.”

“Some retailers do well selling our single red-skinned microwave bakers at 2-for-\$1,” acknowledges Campbell.

In steamable products, Alsum Farm’s Kantner suggests a retail of \$1 to \$1.30 for its 12-oz. product. “Some retailers everyday-low-price (EDLP) it at \$1, while others high-low it by 20- to 30-cents,” he adds.

Johnson reports, “Our 16-oz. Microwave in Bag product has a suggested retail of \$1.99, at

“Single serve microwave-ready russets are often promoted by many retailers as part of their 10-for-\$10 ad efforts. Otherwise, they are usually in the \$1.15 to \$1.25 range.”

— Mac Johnson, Category Partners LLC

which most retailers are selling it.”

The suggested retail for Wilcox’s Potato Jazz products, each of which weighs 16 ounces, is \$3.49 to \$3.99, according to Richter, who adds, “Some retailers sell them for an EDLP of \$2.99 or less. We are testing cross-promotional opportunities with IRCs (instant redeemable coupons) between commodity and convenience potatoes. After all, these products target two different shoppers or the same shopper on two different occasions.”

“In spite of a price point two to four times or more the per-pound cost of potatoes sold in a 5- or 10-lb bag, potatoes are still a terrific value,” maintains USPB’s Ladhoff. “For example, \$2.99 or even \$2.49 for a product that serves a family or four is still only around 70-cents per serving.”

Some retailers have built promotions for value-added potatoes around price and in-store pizzazz. For example, last summer RPE kicked-off its Create Ooh Ahh Moments campaign to introduce its Tasteful Selections at Lunds and Byerly’s stores. Lund’s Steigerwald says, “It was a really fun event where we tied-in

the whole store. In other words, wherever customers went they were reminded of the potatoes — in produce, in the bakery, in the meat department and even in the cereal aisle.”

The one-day promotion held on a Sunday in Byerly’s Eglin, MN-store featured the usual POS signage, demos and cross-merchandising as well as guerilla tactics such as staged actors throughout the store who posed with potatoes in unexpected ways. For example, there was a family having dinner in the seafood section, a talking head display in the produce department, and comedy troupe performances throughout the store all centered on the new potato product.

“Not only did sales of the Tasteful Selections products spike during the promotion,” says Lund’s Steigerwald, “but we saw strong sales continue for four to five weeks afterwards.”

6. Chase The Horizon

Sales of fresh potatoes are virtually flat, reports Timothy Hobbs, director of development and grower relations for the Maine Potato Board, in Presque Isle, ME, “Therefore, we’re seeing a recommitment to value-added by some of our growers. The question then becomes what’s the next best product? That’s the challenge and it’s exciting to watch.”

A look toward the Eastern horizon might answer this question. “In Europe and the UK, value-added potatoes are more the norm,” reveals Ladhoff. “Fully-cooked and par-cooked peeled or cut potatoes in the refrigerated produce case are fairly widespread. On this side of the Atlantic, we’ve discussed with a national retailer the idea for a potato salad kit that comes with cooked cut fresh potatoes and a Greek yogurt-style dressing that can be quickly tossed with the potatoes. The same retailer is also looking at a fully-cooked baby potato as a snack item paired with a dipping sauce.”

Looking ahead, Johnson says, “We, and several other suppliers, continue to work on new packaging, new varieties and new value-add products. We’re getting better at working on programs to help to ensure success. It’s a segment that will grow, probably not at double digit rates, but as it gains traction it’ll be around.”

pb



PHOTO COURTESY OF CATEGORY PARTNERS LLC

Let Onions Open Up Your Menu

From quick-serve restaurants to fine-dining establishments, chefs are taking advantage of the plethora of onion varieties in creative and cost-effective dishes. **BY CAROL M. BAREUTHER, RD**



PHOTO COURTESY OF NATIONAL ONION ASSOCIATION

Onions are being used in creative ways, such as in this Roasted Gorgonzola Stuffed Sweet Onion.

From quick-serve restaurant (QSR) onion rings to fresh onion marmalade on the menu at fine dining establishments, onions are an essential and ubiquitous ingredient in virtually all foodservice segments. In fact, onions are the most mentioned vegetable on today's menus. According to a 2010 menu study from MenuTrends Direct commissioned by the Greeley, CO-based National Onion Association (NOA), approximately 92 percent of all foodservice operations include onions on their menus, and more than 10 percent of all items menued at restaurants feature some type of onion.

Andy Siegel, president of Fresh Connect, the Chicago, IL-based foodservice sales and marketing agency for Gills Onions LLC, in Oxnard, CA, says, "The bedrock is that onions are inexpensive, which is ideal in today's economy when chefs are looking closely at food costs; they are versatile and can help reduce the amount of protein on the plate; and they add flavor without a lot of fat, salt and calories, which is important in light of nutrition labeling requirements on menus for some restaurants."

Tried And True And Trendy Uses

According to Dave Munson, executive chef

and director of culinary development for Keystone Fruit Marketing Inc., in Greencastle, PA, "One key benefit of onions is their depth. This is a single ingredient that is widely used in dishes in almost all courses, from entrees to soups, salads and appetizers. This makes onions cost-effective."

Breaded onions, such as onion rings, remain an important use, especially on casual, midscale and QSR menus. For example, large-cut, hand-made onion rings fried up fresh daily from whole yellow onions are a signature side and core menu item at A&W Food Services of Canada Inc., a 700-plus QSR chain based in North Vancouver, BC, Canada, and the second largest hamburger chain in Canada.

"Beyond this," says Kim Reddin, the NOA's director of public and industry relations, "many operators are menuing onion rings with a twist, emphasizing a certain variety, a particular thickness, a special spice such as curry or chili powder used in the batter, or a signature dipping sauce."

One of these chefs is Spike Mendelsohn, former "chefeftant" on Bravo's hit television show, *Top Chef*, and owner of the Good Stuff Eatery, in Washington, D.C. "We formatted our onion rings around Vidalia onions," he says. "The batter is made to complement the sweetness of the Vidalia onions. They are featured

on the menu as 'Cliff's Homegrown Vidalia Onions' after my brother-in-law, who is from Vidalia, Georgia."

The Parma, ID-based Idaho-Eastern Oregon Onion (IEO) Committee is helping chefs jump on this onion ring bandwagon by having its contract chef develop innovative foodservice recipes. For example, marketing director, Sherise Jones, details, "We've developed an onion ring nacho where the onion rings are coated in a seasoned cornmeal batter. A few of these served as an appetizer offer nearly as good of a profit margin for operators as onion blooms, which can fetch up to 10 times their food cost."

One of the biggest foodservice trends today is caramelized onions, maintains Fresh Connect's Siegel. "It's the next blooming onion. The fact that they aren't deep-fried appeals to many diners," he says.

Good Stuff Eatery's menu features a hamburger topped with melted cheddar and Muenster cheeses, caramelized onions and mushrooms. Mendelsohn discloses, "I think chefs will use caramelized onions more and more. They are a great topping on a filet or chicken and go very well in one-pot dishes to add a little kick to things."

According to the NOA's 2010 menu study, caramelized onions add profit as a value-added

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Reader Service # 11

“The biggest challenge for sweet onions in foodservice, aside from cost, is confusion over what the product is. Therefore, it’s best to showcase it on the menu in applications where it shines, and that’s in its raw state.”

— Robert Wong, Bridge Road Bistro

ingredient, bringing an average of \$1.80 more per menu item. This phenomenon holds true across all foodservice segments. The study also revealed that onions continue to be featured in new menu items. Over the course of 2010, more than 450 items mentioning onions were added at major chain restaurants. The NOA’s Reddin specifies, “Marinated and pickled onions are being used more on sandwiches and tacos. We’re also seeing onions used in center-of-the-plate applications such as Onions Stuffed with Lamb and Apricots and Roasted Gorgonzola Stuffed Onions.”

“Another way onions are now spotlighted,” says Matthew Curry, president of Curry & Co. Inc., in Brooks, OR, “are on ‘Meatless Mondays’ menus. Restaurants offering this theme focus on veggies on Mondays, creating all sorts of produce opportunities, especially for onions.” One example of this is the Gnocchi with Button Mushrooms, Pea Greens and Red Onions offered on the Meatless Monday menu at Chef John Fraser’s New York City-based restaurant Dovetail, one of the innovators of this vegetable-oriented trend that boasts environmental friendliness and boosts sales on one of the restaurant industry’s slowest nights of the year.

Expand Your Onion Horizons

The pursuit of freshness, flavor and variety is leading chefs to feature a variety of onions. Keystone’s Munson says, “The yellow onion is the workhorse of the kitchen; it’s an all-purpose onion.”

“Super colossal yellow onions,” says the IEO’s Jones, “yield up to 28 percent more usable product than those that are medium-sized. They also prep up to five times faster.”

“The popularity of Mexican restaurants and house-made fresh salsa has helped increase demand for white onions in foodservice,” acknowledges Curry.

Red onions are the most mentioned on restaurant menus. According to the NOA’s 2010 menu study, the fine dining segment is most likely to mention the type or variety of onion used. Mentions of red onions, in particular, are higher on casual dining menus and lower on QSR menus. Fresh Connect’s Siegel reports, “There’s been a trend to move from

yellow to red onions for the color and perception of greater value. We’ve seen this in all segments on salads and pizza. Even McDonald’s now uses red onions on its Angus burgers.”

“Sweet onions are an underutilized opportunity in foodservice,” notes Brian Kastick, the Charleston, WV-based president and CEO for Oso Sweet Onions. “The year-round availability, flavor and premium nature of sweet onions make them an item worth slotting in.”

Robert Wong, chef/owner of the Bridge Road Bistro in Charleston, WV, and former executive chef at The Greenbrier Resort in White Sulphur Springs, WV, says, “The biggest challenge for sweet onions in foodservice, aside from cost, is confusion over what the product is. Therefore, it’s best to showcase it on the menu in applications where it shines, and that’s in its raw state.” Wong does this in dishes such as Mojo Grilled Double Pork Chop with an Oso Sweet Onion and Red Pepper Salsa.

Sweet onions shine when paired with fruits, adds Keystone’s Munson. “For example, I’ve developed a peach and pecan salad with sweet onions and raspberry vinaigrette. Sweet onions are mild because they have less pyruvic acid, therefore recipes that provide acid, whether it be the vinegar or citrus juice in a vinaigrette, bring out the flavor of the onions.”

Specialty onions are finding more of a place at the table. Robert Schueller, director of public relations for Melissa’s/World Variety Produce, headquartered in Vernon, CA, says, “There’s been a greater use of shallots in everything from raw salads to a base in sauces, stews and cream soups.”

“Cipollini, pearls and boilers are being used more on menus simply sautéed,” points out Derrell Kelso, Jr., owner and president of Onions Etc., in Stockton, CA.

Fresh And Fresh-Cut

“Chef’s demand for fresh whole versus fresh-cut onions all depends on which segment of the foodservice industry they fit into,” says Munson. “For example, many QSR restaurants spec their onions to come in at a certain thickness or diameter sliced, diced or fajita-cut. Casual chains may order fresh-cut onions for some applications and whole for

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“Fresh-cut onions may cost more per pound than whole onions, but operators need to consider the time and efficiency, labor and workman’s comp and consistency in cost by knowing exactly the number of portions per case that this form provides.”

— *Nelia Alamo, Gills Onions LLC*

others. Most whole onion sales, however, are to independent or stand-alone upper-casual to fine dining restaurants that will use the entire onion right down to the trimmings to make stock. It all depends on time, skill level and the need for consistency.”

The movement for fresh-cut onions in foodservice is growing, acknowledges Nelia Alamo, director of sales and marketing for Gills Onions. “Fresh-cut onions may cost more per pound than whole onions, but operators need to consider the time and efficiency, labor and workman’s comp and consistency in cost by knowing exactly the number of portions per case that this form provides.” Alamo continues, “The first step for many operators is a whole peeled onion. When they get comfortable with this, they start to branch out to slices and dices. We work closely with our partner distributor and end users to develop what will work best for them.”

Making it easier to put caramelized onions on the menus of a number of restaurant chains and across many channels has occupied much of Fresh Connect’s Siegel’s time in the past year. “We worked with a flavoring company to develop a kit that contains an all-natural liquid mix that can be

tossed into a 2-lb. bag of sliced fresh onions. The operator can then make caramelized onions in 7 minutes in the microwave. This ease of use has enabled one QSR chain to expand their use of caramelized onions to all day parts from omelets to burgers and to charge more for these items.” The company is working on additional caramelized onion kits that offer different flavor profiles such as smoky bacon, cheese and even chorizo flavors for Mexican restaurants.

Market By Name

Foodservice operators are not only using more onions, but also building whole promotional campaigns around them. For example, Burgerville, a 39-unit burger chain based in Vancouver, WA, features Walla Walla Onion Sweet Onion Rings from the beginning of July through early September when the onions are in season.

Munson says, “We process the Walla Wallas into a thick slab-cut for them. They hand-coat them with a special batter and fry them up fresh daily. The chain does a good job of getting customers primed by advertising a countdown to when the Walla Wallas are available. As a result, it’s a highly anticipated promotion

with a pretty good bump in sales.”

Vidalia sweet onions were featured in a summer promotion at LongHorn Steakhouse, a 340-plus-unit chain headquartered in Orlando, FL. The campaign featured Vidalia Onion BBQ Ribs and Filet in addition to Spiced Rum BBQ Ribs and Sirloin from mid-July through early September. The chain promoted the new menu nationwide with 15- and 30-second television commercials where fresh chunk cuts of Vidalia onions made a cameo appearance in the barbecue sauce as it was slathered on the ribs.

In the fall of 2009, the IEO partnered with Outback Steakhouse, a 900-plus-unit chain based in Tampa, FL, on a promotion that included a free Bloomin’ Onion appetizer. Coupons for this offer were distributed to the first 500,000 people to sign up as fans on Outback’s Facebook page. A number of IEO shipper-members are major suppliers of the colossal onion sold to the chain for its famous appetizer.

The NOA is currently in talks with two major restaurant chains for promotions in 2011.

Chef Helps

Onion suppliers, committees and associations offer chefs a wealth of assistance to place more onions on the menu. For example, Melissa’s Schueller reveals, “We alert chefs to the seasonal availability of onions via our weekly Fresh Picks e-mail.”

Curry & Co.’s Curry adds, “We’re always willing to send samples and also key cultivation information and timing to chefs for each onion variety we grow.”

The NOA offers an online foodservice buyer’s guide to onions that provides an onion variety and availability primer; sizing and yield facts; packaging options and handling; and storage, receiving and food safety tips. Reddin adds, “We also offer materials for culinary instructors and students such as skill sheets on how to cut an onion and other back-of-the-house tools.”

The IEO offers similar information in its online foodservice guide. In addition, the Committee became a member of Brand Points Plus in late 2010. This program allows foodservice operators to purchase select items, receive free branded merchandising tools and earn points towards rewards such as apparel, kitchen items and electronics. Jones explains, “This program allows us to market directly to foodservice operators, find out what they are looking for and how we can best serve their needs.”

pb

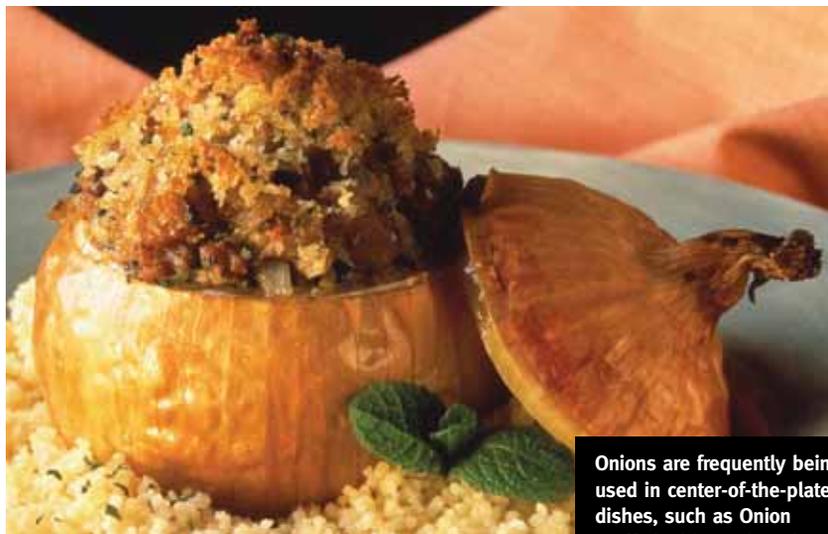


PHOTO COURTESY OF NATIONAL ONION ASSOCIATION

Onions are frequently being used in center-of-the-plate dishes, such as Onion Stuffed with Lamb and Apricot.

Food Terminal Showcases Freshness



Business at the Terminal is booming, but what keeps this market on top? **BY NICOLE BRAYSHAW BOND**

The Ontario Food Terminal is Canada's largest wholesale fruit and produce distribution center. It ranks in the Top 5 by volume in North America, serving not just its home city of Toronto, but also all the Canadian provinces and some Northern U.S. states as well. Business here is not just brisk, it's booming. In 2009, annual produce tonnage by volume was 960,950 tons. But in a current context of food stores buying from growers and the perceived economic advantages of buying direct, what keeps the Terminal strong, vital and necessary? *PRODUCE BUSINESS* toured the Ontario Food Terminal and got to the bottom of its success.

"There is no Produce 101 at the local college. You have to work your way up."

Many of the Terminal vendors identify knowledge and experience in these aspects as the biggest advantages that the Terminal offers. Pitoscia asserts, "The biggest advantage the terminal offers is knowledge, and there can definitely be a lack of knowledge in this industry."

Vince Carpino, president of Tomato King, concurs: "Nothing can replace experience."

Practicality And Purchasing Control

"It's better for retailers not to put all their eggs in one basket,"

Outstanding Product Knowledge

"When you work from the dock, you know all the factors involved," asserts Anthony Pitoscia, buyer for Fresh Advancements.

The pool of product knowledge at the Ontario Food Terminal is vast, and one of the streams that feeds it is experience. The employment model almost invariably starts at the bottom, even in the longstanding family-run firms. This is in contrast to the buyers who work in most chain grocery stores, who are usually new to the food industry and are hired more for their technical computer ability.

As John Russell, president of J. E Russell Produce Ltd., agrees,



Lou Collins,
Stronach & Sons



Barry and Steven Green,
Richard E. Ryan & Associates Inc.



Anthony Pitoscia,
Fresh Advancements



Dorjee Namgyl,
Veg-Pak Produce



Ted Kurtz,
Stronach & Sons



Dan Simone,
Stronach & Sons



Wayne Mackinnon,
Gambles Ontario
Produce Inc.



John Russell,
J.E. Russell Produce Ltd.



Enzo Reda,
Italian Produce Co.



Vic Carnevale, Veg-Pak Produce Ltd.



Rick Carnevale, Veg-Pak Produce and Joe Andolina, a buyer from Longo's



Joe DaSilva and Jim Gordon, Ippolito Produce Ltd.



Kuldip Sandler, Ippolito Produce and Tsering Sichung, a buyer from Mc Ewan's

declares Carpino. Large chain stores often believe that it is best to cut out the middleman and buy directly from the growers of produce as a cost-savings measure. With the recent worldwide recession and stiff competition, one could be tempted to agree with this method. But there are many pitfalls with this system. If a chain buys from the grower, often there is a week lead-time needed for the product to arrive. Frequently, a store buys too little, and needs fill-ins at the last minute. This can happen when the store has a special promotion, or the local weather encourages people to eat a certain way and a host of other unforeseeable things.

With the Terminal, stores can buy and restock from the terminal, and have the extra produce on the shelf in a day. This is extremely necessary for retailers, if only for their reputation with customers, who are not pleased when their favorite store is out of stock of their favorite vegetable. Customers expect reliability. "The market is a great way to control inventory," acknowledges Russell.

Freshness, Quality And Selection

"The market is a showcase floor," says

Julian Sarraino, sales manager of Fresh Taste Produce. Because produce is perishable and varied, this is of utmost importance to the retailer and their customers.

Customers at the Terminal don't pick what they want remotely, over the phone. Instead, the goods are displayed in front of them, and they take it cash and carry. If they don't like the look of what one supplier has, there are 21 more in the terminal from which to choose. This way, the retailers know exactly what they will be offering to their own customers, and there is no risk of displaying and selling substandard produce. For Vince Bruno, vice president of Italian Produce Company, the Terminal's "biggest service is quality and freshness — produce is minutes away instead of 5 days away."

Joe DaSilva, vice president of terminal operations for Ippolito Produce, agrees. "You can pick and choose," he says. "It's a fresher product, more direct and not mishandled."

This vital service to the industry that the Terminal offers is not expensive. Vic Carnevale, president of Veg-Pak, uses lettuce as an example. "There are 15 houses with lettuce," he reports. "You can walk

through and are able to get the best without buying direct." Everyone benefits; the stores look better and the customer gets a better product, with marginal cost.

Another advantage of Terminal buying is that the produce is returnable if the buyer doesn't like it. This isn't possible when buying direct; if the produce passes inspection, the vendor has to keep it. Buying at the Terminal allows the vendor much more control.

Exclusive Products

"We are great for seeing trends and keeping our eyes on the street," says Sarraino. The Terminal is a great resource for trying out a new or exotic product. Stores know their customers notice when their selection has that edge.

"I think the reason that chains get into new/exotic produce is, in large part, thanks to us here at the market," says Pitoscia of Fresh Advancements. "We are forced to be trendsetters. If not, we're done."

Toronto is a city known for diversity and innovative and ethnic cuisine. These things are made possible because of the wide variety and selection that the

OPMA'S FOCUSES ON KIDS' PROMOTIONS

From its home base in the Ontario Food Terminal, the Ontario Produce Marketing Association (OPMA) promotes its members in the produce industry with business-building and advertising opportunities. One of OPMA's goals is to reach out province-wide to encourage the eating of fresh fruits and vegetables in Ontario.

The organization accomplishes this goal by focusing on children, and offering fun, innovative campaigns that work toward getting kids to eat healthful and nutritious foods. One appealing component of that campaign is by utilizing the Canadian Produce Marketing Association's (CPMA) mascot, Freggie, a character composed of

colorful fruits and vegetables. Freggie's costume is available to rent — free of charge — for school events where he spreads the word of healthful eating the fun way. One of the first Toronto companies to use the mascot is Gambles Ontario Produce Inc. The company has not only signed up to fly Freggie in from CPMA's office in Ottawa, but it will be funding a complete Freggie in-school program that includes certificates, prizes, posters, etc.

OPMA's Gimme5 Grocery List also helps teach children good eating habits. Laminated boards listing fruits and vegetables by their five main colors are distributed to children so they can check off what they buy when shopping with their parents. This

encourages the purchasing of a variety of produce and gets kids involved in healthful food shopping, too.

Another innovative project geared toward the youth market is the New Fast Food campaign, which distributes pictures that replace regular fast food (in fast food packaging) with produce. The concept engages critical thinking while relying on images to which children can relate, and they look delicious.

Ashlee McLean, OPMA director of marketing and communications, hopes that the organization's efforts will inspire a new and beneficial trend in Ontario. "Instead of grabbing a chocolate bar for a snack, pick a banana, or some baby carrots," she says. **pb**

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Terminal offers. In addition to exclusivity, the Terminal-wide policy of no minimums allows retailers to be adventurous and try something new without making a huge investment. Vendors are happy to help out this way. As Ted Kurtz, director of Stronach and Sons, says, "You can buy just a half-dozen of something. It costs us more to process the bill, but that's OK."

Exclusive and ethnic products also meet the needs of Toronto's growing ethnic market. "We get the majority of ethnic customers, and we are the best at recognizing their needs," contends Dan Simone, a buyer at Stronach and Sons.

A walk through the Terminal reflects the striking diversity that Toronto is known for worldwide. More than 2.5 million people live in Toronto — with 3 million more in the Greater Toronto Area — reflecting over 200 distinct ethnic origins. More than 140 languages and dialects are spoken here, and chances are, someone speaks them at the market.

According to census data, South Asian and Chinese are the top two visible minority communities in Toronto, and there is a correspondingly high demand for Asian foods. The Terminal responds very well. Ric Carnevale, in sales and procurement at Veg-Pak, states, "Vendors are really good at supplying the large growth in the Asian market and large amount of Asian cooking. I find a large variety of Asian products that were once exotic are now becoming mainstream."

Toronto is a city of neighborhoods, and independent stores are integral to the distinctive character each area proudly maintains. Richard Rose, vice president of Gambles Produce, explains, "Many independent stores often exist in this city because they are ethnically-based. The market is essential for them and for the communities they serve." The terminal provides an option for the independent retailers to source product imported from all regions of the world.

Reader Service # 43



Veg-Pak Produce Ltd.



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Reader Service # 44

Autism Affects 1 in 110 Children

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Reader Service # 59

Long-Term Relationships Count

One word for what makes the market special is simply relationships. Evidence of good relationships between all players in this industry is everywhere. There is a vital and very human connection between the vendors and the buyers who are often there purchasing every day, as well as between the staff and management of the produce companies, most of whom have worked together for many years, and between the different vendors in the market. As Russell of J. E. Russell says, "Collectivity is key here. At the market, it would be impossible to work independently. You can tell that it is better for everyone if all the vendors are sharp. Strong competition on the Terminal is critical to the success of our customers."

To foster and maintain a strong community feeling, many events are organized, from fundraising drives to different types of tournaments. Many of these events are organized through the Ontario Produce Marketing Association (OPMA). "These events give our members the opportunity to meet new people within the industry, and renew old acquaintances," says Ashlee McLean, director of marketing and communications.

It is very evident that whether the vendors are dealing with growers, retailers or each other, as Sal Sarraino, president of Fresh Produce emphasizes, "Here, communication is huge."

Commitment To Organic And Local Produce

Organic and local produce is very popular now for both health and environmental reasons, and these trends will grow right along with the Terminal. One reason is that retailers can try out these products on a small scale and see how they do. Pitoscia says, "The terminal gives a chance for the buyer to try a few organic products to test them out on the consumer and build a market from there."

It is this type of experimenting that helps keep the market so vibrant. The range of organic and local produce is huge and plentiful. The market should be credited as a major player in making these products accessible to the public and helping them become mainstream. Gambles' Rose points out, "The focus on fresh, locally procured produce has never been greater. Retailers that remain nimble and flexible and rely on terminal markets to help them execute their produce programs will come out winning in the end."

pb

Longos Makes The Public Think 'Produce'



With education and freshness a top priority, Canadians are benefiting from this expanding family chain. **BY NICOLE BRAYSHAW BOND**

Let's admit it: shopping is a favorite pastime for many of us. Usually this refers to buying fashion or other tempting consumer goods, but more and more groceries are being marketed in appealing and innovative ways, elevating grocery shopping from a dreaded chore into a fun activity. A perfect example is the new downtown Longos at Maple Leaf Square, one of the 23 stores spread throughout the Toronto area. Shopping here defies expectation; Longos blends novelty with tradition, including an ongoing relationship with the Ontario Food Terminal.

Longos was founded in 1956 by Tommy Joe and Gus Longo as a small vegetable and fruit store. The store's roots — a heavy emphasis on produce — continues to this day. Since the early years, the business has grown exponentially, with 10 stores opening in the past two years alone. Family is the cornerstone of this success, and of Longos business philosophy — three generations of Longos currently work for the company.

Another tradition that is important to Longos is the company's ongoing relationship with the Ontario Food Terminal. Six days a week, for the past 15 years, a member of the family goes to The Food Terminal to purchase produce for their stores. This method of buying, although it requires extra legwork, ensures the freshness and quality of their produce, which is immediately evident in the new location.

As Mike Longo, vice president of fresh merchandising for the family business points out, "We are going back to our roots, here downtown." The new location is particularly striking: a gleaming upscale building in the entertainment hub of Toronto, just steps



away from iconic Toronto landmarks such as the Rogers Centre and the CN Tower.

The Look Of Longos

Entering the store begins with an escalator ride down into a burst of bustling customers and bright colors. In the middle of the space is an eclectic hot food table, and a 70-item salad bar. From there, the store spans out into a appetite-stirring mix of gourmet food stations, a huge market-like produce area, other themed food areas and a practical well-priced section of pantry goods. Walking through the store doesn't feel restricted; rather than traditional grid-like set up, there is a more a circular feel to the pathways that are centered on the store's many highlights.

Longos main distribution center is in Vaughn, just north of the city, which allows product to reach the shelves quickly and in top condition. Produce specialist, John Fiorino, notes good refrigera-



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tion is important to maintaining the quality of the produce, and the Maple Leaf location boasts new refrigerated aisles. "We have invested a lot in refrigeration," says Fiorino. "That is important when produce is our primary focus, from an impressive mushroom area with more than 15 different varieties to 12 varieties of apples."

Education And Ideas Count

Longos believes in the importance of knowledge in their business model. This begins with their emphasis on being a family-run business, where everyone grows up learning the industry and understanding how to buy produce from the Food Terminal, another place where a deep understanding of the industry is key.

Education is a big part of the company's produce staff training system, as well, especially in the produce section. There are many ways that the produce managers and staff are trained at Longos. Most innovatively, Longos organizes trips to farms — both local and abroad — so the staff can get up close and personal with the produce growing process. They feel this offers a deeper appreciation of the products if the employees can see how and where they are grown. "We took 22 produce managers to California last year to visit major growers," reports Michael Forgione, director of produce and floral. "That is what Longos is all about."

These efforts bring results: "The associates on our floor are produce experts," Fiorino proudly says.

"We are very proud of our innovative packaging and products like fresh meals," adds Fiorino. "Everything is organized and packaged at our centralized location in Vaughn." A single package includes all the fixings to create popular meals. There are even full instructions — everything a modern busy cook needs.

Pre-packaged salad selections consist of four compartments with different fillings; for example, greens, chickpeas, dressing and cheese. These just need to be mixed together to create a healthy produce-centered meal. "We are always creating new salads for the store, and in the new year we are hiring a professional chef to create more unique ready-to-prepare food exclusive to Longos," reports Forgione.

The flagship Maple Leaf Square store presents an enormous range of products and services that make the shopping experience unique and fun. The walk-around



hot food bar, complemented by a large salad bar, is a refreshing addition to the traditional shopping experience.

This Longos was originally a parking lot, but the Longo family believed the space could be used for something that the downtown shopper needed: a fresh and fun quality shopping experience with a focus on top quality produce. **pb**

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How To Make The Most Of Celery Merchandising

Celery sales continue to be stable, but jazzed up packaging and colors bring the category to new heights. **BY JON VANZILE**



PHOTO COURTESY OF DUDA FARM FRESH FOODS INC.

Unlike lettuce, celery doesn't mind staying wet — it can handle misters and top icing without any loss of vibrancy.

Although it's typically not one of the higher-margin, faster-selling vegetables in the produce section, it's hard to imagine a complete produce aisle without a celery display. Celery is a foundation vegetable, just like onions and potatoes. It's widely used as both an ingredient and a healthful snacking item. Unlike potatoes and onions, however, there isn't a wide range of celery varieties — consumers have long confronted a sea of pale, crunchy green in the celery section.

This is about to change, however, as an innovative new red celery variety winds its way toward the market (see sidebar). Beyond this new product, however, most of the innovation in the celery category has taken place in the packaging and presentation of celery, resulting in a slow category shift.

Celery is also relatively unique because it remains an exclusively U.S. crop. In fact, the United States is a heavy celery exporter and takes in only a negligible amount of celery from overseas. California is, by far, the largest celery-producing region in the country, followed by Florida, parts of the northeast, Texas, Arizona and Michigan. Because of its long season, fresh celery is available year-round as the

harvest travels up and down the coast and treks across the country.

According to interviews with celery growers, celery consumption has remained mostly steady for the past several years, although there has been a slow shift in the category mix. "Celery sales are stable," reports Nichole Towell, marketing development manager at Duda Farm Fresh Foods Inc., based in Oviedo, FL.

According to figures compiled by Porterville, CA-based Homegrown Organic Farms, a grower of organic celery, consumption of celery increased by about 4 million pounds in the 2008-2009 season, a relatively small increase when compared to the approximately 2 billion pounds consumed annually in the United States annually.

Although sales of celery continue throughout the year, it is a strongly seasonal product. Sales spike around the holidays, as more cooks use celery for soups, vegetable mixes, and stuffings. "Celery is pretty much year-round," says Lou D'Alleva, vice president of Garden Fresh Salad Co. Inc., in Chelsea, MA. "But Thanksgiving and the holidays are the big season."

Celery Handling And Display

Ideally, to maximize sales, different celery

products in the category should be kept together. Although the category is slowly changing, the largest selling item in most retail displays is the 24- to 36-count sleeve, reveals Scott Albertson, director of marketing and business development at Deardorff Family Farms, headquartered in the celery capital of the country, Oxnard, CA.

Celery hearts are second in sales, and they are gaining all the time as consumers continue to look for convenience and a more manageable package size with more usable product. Other celery products include diced, sticks, straws and snack packs. "Data indicates that the celery category mix is changing, with celery heart sales steadily increasing, replacing celery stalk sales," reports Towell. "Fresh-cut celery sales are also gaining as consumers shop for snacking items and convenient alternatives."

Like other produce, celery should be maintained between 32 and 36°F in cold storage, with a relative humidity of around 90-98 percent. Unlike lettuce, celery doesn't mind staying wet — it can handle misters and top icing without any loss of vibrancy. The shelf-life for properly handled celery is about a week, but the display should always be kept fresh, and older, mushy or brown product should be



Along with celery hearts, organic celery has been steadily increasing.

culled. It's possible to remove older stalks that have gone bad by removing them with a sharp knife at the base of the stalk. Celery is sensitive to ethylene and should not be displayed near produce items that give off ethylene, which will reduce shelf-life.

Because celery is a staple vegetable, most retailers don't cross-promote or run celery promotions, even during the peak sales season. But that doesn't mean there's a lack of cross-promotional opportunities. The key is to engage customers' imaginations and suggest recipes and combinations that work well with celery. "Cross-merchandise celery with items that provide healthful snack opportunities for the consumer," recommends Towell. "Low-fat ranch dressing, peanut and nut butters, and hummus are just a few examples of what can be merchandised near, or cross-merchandised with, celery."

Towell also notes that health-centric coupons can increase celery sales. "Coupons that include celery sticks and a healthy stuffing

Red Celery

Celery isn't known as the most exciting vegetable — produce sections have long featured the same basic variety, packaged in similar ways — but Duda Farm Fresh Foods is seeking



PHOTO COURTESY OF DUDA FARM FRESH FOODS INC.

to change that. The company has recently developed a unique red celery. Although the product introduction was delayed in early 2011 by weather issues in California, it promises to be the most exciting thing to hit the celery category since packaged celery hearts.

Duda's red celery, which will be sold under the name Celery Sensations, features a pale red blush to the stalks. According to Duda's Web site, red celery took 20 years to develop and prepare for market. Although it has the same flavor profile as green celery, it's actually a cross-pollination between a standard celery and an Old World heritage celeriac variety that's red.

The product will be sold with a barcode included on the packaging that can be scanned by consumers using Microsoft Tags applications. Once accessed, the information includes tips for storage and use, as well as general product information. **pb**

or dip solution work great at increasing sales," she contends.

In general, it's always a good strategy to promote the health benefits of celery. It's a low-calorie food that's loaded with beneficial fiber. Studies have shown that most Americans don't eat enough fiber, which promotes healthy digestion and lowers cholesterol. "Knowing the nutritional value and health benefits motivates consumers to purchase more celery," says Towell. "You can include the health benefits on point-of-sale materials and provide recipes and usage ideas in the store near the celery display."

Organic Celery

Along with celery hearts, organic celery has also been steadily increasing in sales. According to David Cook, a sales associate at Deardorff Family Farms, sales of organic celery comprise between five and 10 percent of the market. The city of Oxnard accounts for about two-thirds of all the celery grown in the United States, according to Cook. "If you can grow and pack organic celery, there's a strong demand for it," he adds.

Homegrown Organic Farms specializes in organic celery, and similarly reports strong demand and rising sales. "There's more demand for organic celery and more people growing organic celery," says Brenda Haught, vegetable and stone fruit commodity manager at Homegrown.

According to Haught, organic celery should be displayed with the rest of the category products, although it is priced somewhat higher. She estimates that most retailers follow the "20 percent" rule, pricing organic products about 20 percent higher than non-organic products. "We've done trials in stores that offer bulk organic versus bulk conventional," she says. "Sometimes organics can get lost if they're in a corner somewhere." The practice of twin-lining, or offering organic produce next to non-organic produce, allows consumers to directly compare prices and make a decision for themselves. **pb**

Celery the Aphrodisiac?

It's a strange-sounding claim that pops up every so often: celery is an aphrodisiac that releases pheromones men find irresistible. Even a casual Google search turns up plenty of hits with Web sites promoting celery as "natural Viagra" and a powerful aphrodisiac.

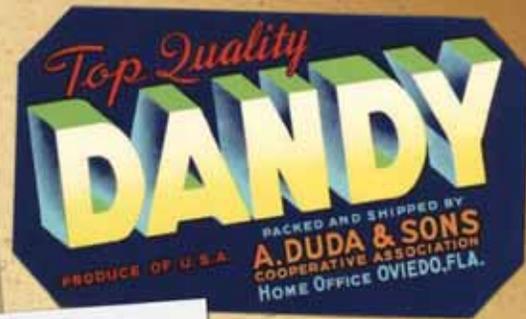
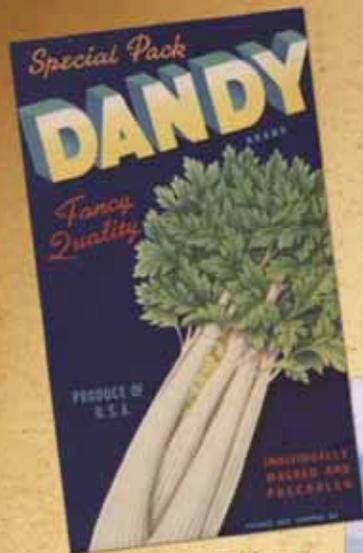
But is it true? Unfortunately, probably not.

According to the celery-as-aphrodisiac crowd, the vegetable contains androsterone, a male hormone that is produced from testosterone. Androsterone is secreted in male sweat and is a well-known sex hormone. Its use as a human pheromone, however, isn't really supported by the scientific literature, so it's highly unlikely that the tiny amount of the hormone present in celery actually has any effect.

This isn't to say, however, that celery is without beneficial properties. It is loaded with beneficial fiber and is frequently used in weight-loss programs. **pb**

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The Thick, Thin, Wet, And Dry Of Merchandising Asparagus

Proper care, presentation and consumer education are key to maximizing asparagus sales. **BY TRISHA J. WOOLDRIDGE**



In order to avoid the unnecessary risk of standing water, retailers can display asparagus standing upright on a moistened pad.

While many long-time asparagus merchandisers remember when holidays — particularly spring and early summer holidays — were the season of asparagus, most consumers are accustomed to the year-round availability, and demand continues to grow based on much more than the holiday push. To fuel the demand, positive presentation is key: make sure the asparagus is properly cared for; the display is appealing and effective; and the customers have appropriate information about the product.

“Asparagus has taken on a whole new popularity in the past several years,” says Tim Hallows, Western regional marketing manager for Mission Produce Inc. of Oxnard, CA. “It has become a staple in many homes and is being added to the shopping list rather than just an impulse item during non-holiday weeks.” He points out that the USDA reports annual fresh asparagus usage has jumped from just over a half-pound per person to approximately 1.3 pounds per person.

Mike Siemienas, spokesperson for Eden Prairie, MN-based Supervalu, adds, “Fresh asparagus is one of the top sales growth vegeta-

bles in the department as consumption has doubled over the past decade.” He further explains, “The switch in the consumer trend over the past few years has been a result of the additional year-round availability and the lower price points based on increased supply. Cooking shows and restaurants have also helped make asparagus less of a mysterious vegetable.”

Asparagus Care And Maintenance

Asparagus is related to the lily family, so it actually has more in common with your floral department than most of what is displayed in produce. Because of this fact, water control is one of the most important considerations with asparagus. As the Keller, TX-based Peruvian Asparagus Importers Association (PAIA) reports, the product is 90 percent water. Treating it like a flower and snipping bases so that the stalks can absorb more water from the bottom up is one way to lengthen shelf-life.

In regards to displaying them in a pool of water, there are a number of varying opinions. Many retailers say that the pools of water prolong the life of the asparagus and keep it fresh looking. However, Cherie Wattle Angulo, executive director of the Stockton-based California Asparagus Commission,

contends, “pools of water are an unnecessary risk,” and a store can simply stand the asparagus upright with a moistened pad underneath to maintain the freshness.

Hallows gives a more detailed explanation. “Standing in water can preserve the asparagus from drying out, but the water has to be kept fresh, and the trays holding the water have to be kept clean and sanitized, otherwise bacteria is a worse problem than freshness,” he cautions.

However, if the product is selling, then it doesn’t need to be kept in the standing water, maintains Diane Anas, co-owner of Commercial Fruit & Garden, an independent family-owned and operated retailer in Worcester, MA. “A little water to keep it from going limp goes a long way, and if it’s moving fast enough, it doesn’t need the water,” she says.

Besides deciding to use or not use standing water with asparagus, it’s important to maintain the cold chain and keep the product refrigerated, according to the PAIA. Long exposure to room temperature causes faster wilting. Additionally, while the tips can be dunked in water or occasionally rinsed if they look dry, water should not be allowed to sit on asparagus, as the water will cause premature decay; the product should never be placed underneath regular misters.

“The product needs to be displayed in a high traffic area of the produce department. It should be in a prominent area on a refrigerated end unit or a display case when on promotion.”

— Chris Henry, Giumarra Agricom International LLC

Feast For The Eyes

Once water balance has been achieved so the asparagus stays fresh, it's time to consider how to display it so customers notice how good it looks. The most important part of display is variety, from the size of the stalks to the color — green, white or even purple — and the packaging to the impact of cross-merchandising.

Asparagus is available in many sizes, and different diameters are used in different cooking applications — to the extent that cooking magazines often include spear size and diameter in recipes. “Retailers get the fastest movement if they have at least two different sizes,” says Watte Angulo. She further explains that consumers want consistency in cooking, so when they buy bunches of asparagus, the asparagus spears should all be the same thick-

ness. However, since recipe requirements differ, the consumer should be able to choose the right size for their needs.

When stacking the asparagus, it's important that it remains upright. Watte Angulo suggests using a stadium presentation that is centered to look like a pyramid. Regarding display, Chris Henry, director of sales and marketing for Escondido, CA-based Giumarra Agricom International LLC, adds, “The product needs to be displayed in a high traffic area of the produce department. It should be in a prominent area on a refrigerated end unit or a display case when on promotion.”

When different colored asparagus is in season, displaying them together can create a beautiful impact and also introduce the consumer to the colored varieties. Julia Inestroza,

marketing and merchandising manager for Los Angeles, CA-based Gourmet Trading Co., advises displaying the colored and white alongside green asparagus to “create color breaks and draw attention to the display.”

Packaging also drives sales. Besides the visual appeal of multi-colored bundles, asparagus is also available trimmed and in microwave-ready containers. Properly packaged asparagus also avoids the conundrum of whether or not to display the vegetable in standing water. The packages create a convenient location for recipes and preparation instructions, the latter of which can be important. Inestroza points out that not a lot of people know to peel colored — particularly thick white — asparagus, or that purple asparagus can be served raw as part of a salad, while green or white asparagus should be blanched.

Inestroza recommends cross-merchandising with artichokes, red peppers, and other high end produce — especially when asparagus is in season and stores can price it aggressively.

Erase Customers' Fears

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“When the colored varieties are available, strong effective signage needs to be in place to highlight the nutritional benefits found in each particular variety. More importantly, produce employees need to be educated as the front-line ambassadors to interact with the customer and talk about the product in a knowledgeable way.”

— Mike Siemienas, Supervalu Inc.

there are still many who do not realize the potential of the vegetable and shy away because they don't know what it is or how to use it. Produce retailers can alleviate that fear and drive sales with a strong educational push through signage, packaging, in-store demos and out-of-store methods such as flyers or social media.

Healthy eating is getting more and more attention, so signs and packaging that highlight the extensive nutritional value of asparagus, as well as the fact it contains no cholesterol, will grab customers' attention. “The No. 1 reason asparagus is beginning to be viewed as a daily vegetable is that a large segment of the population is very health-conscious and they recog-

nize the health benefits of asparagus,” says Henry of Giumarra. “This segment continues to grow.”

Education is also key in showing customers the versatility of asparagus. The PAIA suggests that even simple signs like “great for baking,” “impressive for entertaining,” “easy-to-barbeque,” and “totally microwaveable” are simple ways to show what can be done. Adding recipe cards or recipes on packages make a big difference, as does in-store demos of easy preparation or cooking hints.

Supervalu's Siemienas says that since the supply of white and purple asparagus is more erratic than the green variety, education in

that area is more of a challenge. “When the colored varieties are available, strong effective signage needs to be in place to highlight the nutritional benefits found in each particular variety,” he asserts. “More importantly, produce employees need to be educated as the front-line ambassadors to interact with the customer and talk about the product in a knowledgeable way.”

Outside of the store, Siemienas and Gourmet Trading Company's Inestroza suggest weekly ads and flyers offering nutritional and usage information also drive sales and draw people into the store. Inestroza also says many retailers are engaged in social media, such as Facebook and Twitter. “They partner with produce companies and share tips and tricks. I'm amazed at how many asparagus recipes can be found on social media,” she admits.

No longer reserved for holiday specials, asparagus is a year-round product with sales that continue to grow. Giving it a chance to shine in the produce department with proper care, strong displays, and educational information can drive sales even further and make asparagus a high-movement product that can bring consumers through the doors and inspire second- and third-time purchases. **pb**

Reader Service # 50

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Five Tips For Increasing Sales And Profits For Carrots

Retailers and growers have come a long way in merchandising carrots, but there's still room for improvement. **BY JULIE COOK RAMIREZ**



Baby carrots are now the No. 1 seller in the category, accounting for 60 to 70 percent of total dollar sales, report produce executives.

Over the past 15 years, carrots have taken on a new life, in large part due to the immense popularity of baby peeled carrots. There have also been industry-wide efforts to promote carrots as a healthful alternative to chips, candy and other snacks.

Most recently, A Bunch of Carrot Farmers, led by Bakersfield, CA-based Bolthouse Farms Inc., launched the “Eat ‘Em Like Junk Food” campaign for baby carrots. The coalition of carrot farmers even ventured into candy’s number one domain, Halloween, with the launch of Scarrots, a line of snacking carrots sold in master bags of 25 single-serve 1.7-oz. bags. According to Bolthouse, the response has been phenomenal. “We’ve been blown away by the response to this campaign,” said CEO Jeff Dunn, president and CEO, in a recent press release. “We’ve learned that there’s a huge groundswell of support behind our effort to brand baby carrots as the ultimate junk food.”

The rise of the value-added category and efforts to promote carrots as a healthy snack have helped “move the needle” more than anything else, according to Michael Siemienas, spokesperson for Supervalu Inc., headquartered in Eden Prairie, MN.

Baby carrots are now the No. 1 seller in the category, accounting for a whopping 60 to 70 percent of dollar sales, according to Phil Gruszka, vice president of marketing at Grimmway Farms, located in Bakersfield, CA. What’s more, sales of value-added carrots are largely incremental, in no way cannibalizing traditional carrot sales, thus paving the way for even greater overall carrot sales.

At Sprouts Farmers Market LLC, headquartered in Phoenix, AZ, produce buyer Neil Cullen says he’s “writing carrot orders like nobody’s business.”

And Lakeland, FL-based Publix Super Markets Inc. does “really well with carrots year-round,” according to Maria Brous, director of media and community relations.

That’s not to suggest there isn’t room for improvement. Admittedly not the sexiest thing in the produce department, carrots can be a challenge to merchandise. Even the ubiquitous nature of carrots poses difficulties in that it is virtually impossible to utilize the same kinds of fanfare that gets consumers fired up over seasonal products. “It’s not something where we can go, ‘Yippee, the carrots are in!’” says Gruszka. “As a result, carrots tend to be overlooked because retailers say, ‘Let’s just put them

out there and roll with exactly what we have been doing and let people pick them up.”

Here are five tips for more effectively merchandising carrots for maximum year-round sales and profits:

1) Mix It Up

While baby carrots have received the lion’s share of attention over the past decade, it’s important to remember that some consumers simply prefer to peel and cut their own carrots. Older consumers, in particular, remain partial to whole carrots, according to Mark Jewell, fresh produce category manager for the Portland, ME-based Hannaford Bros. Co. Some consumers may require different carrots for different applications, while others seek out convenient carrots for snacking or using as salad toppings.

That’s why it’s important to offer variety. Supervalu’s Siemienas recommends carrying a full array of carrots, including jumbo carrots, table carrots, cello carrots, bunch carrots with tops, microwave petite carrots, carrot chips, carrot stix, crinkle-cut coins, shredded carrots, baby carrots and snack packs with dip.

While retailers may be getting better at offering different forms of value-added carrots,

“Across the demographic spectrum and income-level spectrum, people are looking for organics. That presents a huge opportunity for carrots because carrots are out there 52 weeks of the year.”

— Phil Gruszka, Grimmway Farms

they still tend to over-merchandise traditional orange carrot SKUs, according to Doug Ranno, chief operating officer and managing partner at Colorful Harvest LLC, located in Salinas, CA. Ranno recommends stores incorporate differently colored carrots to create “ribbons of color. The excitement and fun is amplified

when you add multiple colors of carrots,” he says. “If retailers really want to grow consumption and grow the category, it’s their responsibility to offer a diversity of SKUs and a diversity of colors.”

They mustn’t forget about organic either. According to Grimmway’s Gruszka, carrots are

one of the largest organic categories in produce. “Even in this challenging economic climate, people are choosing to eat organic,” he says. “Across the demographic spectrum and income-level spectrum, people are looking for organics. That presents a huge opportunity for carrots because carrots are out there 52 weeks of the year.”

2) Increase Visibility

Shoppers can’t buy what they can’t see. That’s why it’s incumbent upon retailers to keep carrots top of mind year-round by utilizing displays with lots of eye appeal. Strive for big displays incorporating bright, bold colors. Use signage and POS materials to provide serving suggestions or highlight points of



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difference. Ask your growers about seasonal bags featuring colorful graphics that will bring further attention to your carrot display.

Andrew Bianchi, sales manager for Arvin, CA-based Kern Ridge Growers LLC, likes to see retailers mixing carrots in with other vegetables, going “across the lines, so the colors are all there.” Hannaford uses that exact strategy, merging carrots with celery hearts or carrots with cabbage to boost their visual appeal and create more impulse sales. Ranno suggests building end unit displays to get carrots out of the cold rack and into shoppers’ traffic flow.

“You need to make them stand out,” declares Harry Sheaffer, member of Blackwater Produce LLC, based in Lake Park, GA. “Instead of putting them on the back shelf all

the time, bring them forward. When they are out there with everything else, they are not going to get the attention they would if they were off by themselves.”

Supervalu encourages its stores to give carrots high visibility and to stock a “generous secondary display” in the produce department when they are advertised. Most Supervalu stores group the value-added items into a single section, typically near the value-added salads for customer convenience and then use field carrots as color breaks throughout the department.

In all of Hannaford’s 170 stores, the carrot category is plan-o-grammed, according to Jewell. The most common plan-o-gram is a 4-ft. multi-deck case that also merchandises celery

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“We spread out our promotions amongst all segments so we are not promoting all babies all the time, for the most part. We are promoting the cello, the babies, the variety and the organic carrots.”

— Mark Jewell, Hannaford Bros. Co

hearts. Each week, Hannaford sends different options to the stores to merchandise on their end caps. “We spread out our promotions amongst all segments so we are not promoting all babies all the time, for the most part,” describes Jewell. “We are promoting the cello, the babies, the variety and the organic carrots.”

When promoting carrots, Hannaford merchandises them away from their normal location and ties them in with other products whenever possible. When cabbage is on sale, for instance, Hannaford places carrots up the middle of the cabbage section. Not only does it break up the display in terms of color, but it

leads to incremental sales when a cabbage shopper ends up going home with a bag of carrots to boot.

3) Complements Will Get You Everywhere

While carrots are increasingly being eaten as snacks, they are still frequently incorporated into recipes or consumed along with other items. It is extremely helpful, therefore, to utilize secondary displays and take advantage of cross-merchandising opportunities. Ranno of Colorful Harvest suggests placing single-serve bags of carrot chips in kid-friendly locations, like the Lunchables section, for example. He also likes to see retailers putting bags of shredded rainbow carrots by their bagged salads. Meanwhile, Gruszka points to stores offering meal deals — a roast with potatoes and carrots for a special price, for example.

While cross-merchandising opportunities vary from season to season, there are many products that can be sold alongside carrots virtually anytime. Carrots can be merchandised in the deli next to fresh-roasted chickens or in the seafood counter to remind consumers of the need for a fresh vegetable with their entrée. Or baby carrots and fresh-cut carrots can easily be cross-merchandised with dips, salad dressings, peanut butter or yogurt.

Carrots can enhance salads anytime, but such pairings work especially well after the first of the year when people tend to be more health-conscious. In the fall and winter, carrot cake is quite popular, so cross-merchandise carrots with the rest of the ingredients necessary to make the decadent dessert. Naturally, soups and stews provide ample opportunities, but don't forget to suggest carrot curls as a garnish with holiday meals.

The perishability of carrots limits Sprouts primarily to inter-department cross-merchandising. Since carrots are normally kept on the wet rack, Cullen says, that makes it difficult to reap the benefits of secondary displays. That said, he concedes that Sprouts will “take them off the rack and give them better visibility” when they are on ad. As long as they are getting good turns, he says, they are hardy enough to be taken off the wet rack for short periods of time and placed in the heaviest traffic areas of the store.

4) Focus on the ADvantages

While much has been made of the trend toward impulse shopping, the value of placing carrots on ad cannot be overstated. In today's tight economy, consumers are more aware of their spending than ever, and a par-



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“Significant spikes are seen when carrots are advertised, so we advertise them often, especially around the holidays.”

— Mike Siemienas, Supervalu Inc.

ticularly good price on a favorite item may mean the difference between shopping at your store or making their way down the street to the competition.

Advertising carrots may prove especially fruitful when they are paired with complementary items, like the other ingredients for a roast or stew. Ads that focus on a specific theme, like healthy snacking, back to school, or Crock Pot cooking, also provide ample opportunities to allow carrots to shine.

“Significant spikes are seen when carrots are advertised, so we advertise them often, especially around the holidays,” says Supervalu’s Siemienas. Likewise, Brous says Publix frequently advertises various carrot items, believing it helps spur incremental sales while building a loyal customer base.

“With so many items, you can rotate them

regularly and have something on ad nearly all the time,” says Gruszka of Grimmway.

Blackwater’s Sheaffer agrees that engaging in more advertising may help spur more volume, but cautions retailers not to keep carrots perpetually on ad. Instead, he suggests focusing efforts on promotions that will appeal to their specific demographic base — advertising stew-cut carrots in the south, for example, or advertising locally grown carrots in areas where consumers prize homegrown produce.

Ads may also prove particularly beneficial during slower periods, like the summer months, when people are making fewer stews and soups and packing fewer lunches. Gruszka suggests promoting value-added carrot options as more healthful alternatives to potato chips at Fourth of July celebrations and summer picnics.

5) Keep an Open Mind

While retailers often create their own marketing materials in-house, and many eschew point of sale materials altogether in favor of a cleaner look throughout the department, that doesn’t mean produce managers have to close the door completely on assistance from their carrot suppliers.

From special packaging and recipe cards to basic insights into finding ways to sell more carrots, growers are happy to help their retail partners any way they can. “There are just so many items that a produce manager has to manage,” says Gruszka. “That’s why we go in and talk about category management and offer to help them with promotional schedules and ideas. We try to be a resource for them so that carrots can get the proper amount of focus.”

Supervalu not only works closely with major U.S. carrot producers throughout the year, they also pay special attention to local farmers by supporting their initiatives. Publix also pays heed to its supplier’s counsel. “We value our carrot supplier’s knowledge and insight into the carrot business,” says Brous. “When appropriate, we utilize this information.” **pb**

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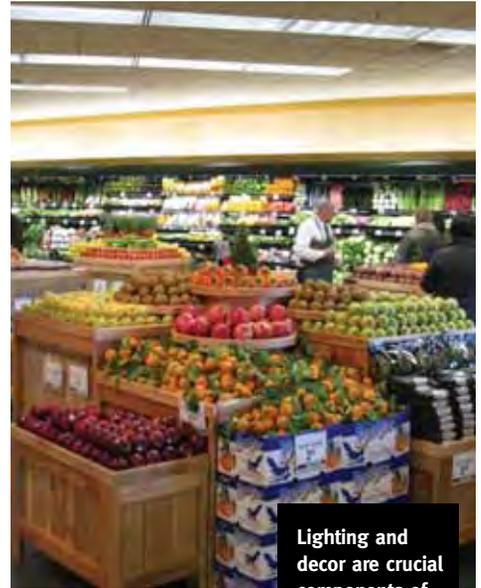
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Lighting and decor are crucial components of successful merchandising.

Lighting And Decor Are Your Silent Sales Staff

Making the right decisions about furniture, lighting and store decor will allow your produce to last longer and look better. **BY BOB JOHNSON**

Before the first head of broccoli, pound of spring mix or case of Fuji apples is unpacked, decisions made about how to furnish and light the produce department can go a long way toward determining how quickly that produce moves off the shelves. The No. 1 question about furniture and lighting for the produce department is: "Will it sell the produce?"

"Produce is such a visual impulse buy that the biggest factor is making the produce look good," says Lee Rhoades, director of sales and marketing at Baero North America Inc., headquartered in St. Louis, MO. "You can have all the energy and operational efficiency you want, but if it doesn't sell the produce, it won't do you any good."

There is such a wealth of technical information available about lighting that it is advisable to remember the simple perspective. "Put yourself in the shopper's position," says Marcy Britigan, president of MEI Specialty, headquartered in La Grange Park, IL. "Visibility, accessibility and freshness are critical."

Star Of The Show

Produce department lighting has the job of letting the produce stand out as the star of the show. "You have to get more light on the product than on the surrounding area," asserts Don Knickerbocker, vice president for supermarket sales at Amerlux Global Lighting Solutions, based in Fairfield, NJ. "It gives you the pop and sparkle to draw attention to the product." Knickerbocker suggests a three-to-one minimum contrast ratio between the light on the product and the light on the surrounding area.

Scott Werhun, East Coast business development manager for Promolux Lighting International, in Shawnigan Lake, BC, Canada, notes, "Lighting that meets the main objectives of illumination, color definition and food integrity will generate great sales and bring further savings to any retail operation. In the long run, if the right lighting is not used, the retailer will incur more costs in servicing, food waste and poor merchandising."

It can be worth investing in "stage" lights that bring out a full range of colors if you want to make the produce look fresh and inviting.

There are differences of opinion, however, on which kind of light is best for throwing a spotlight on produce. For example, "LED has surpassed everything in popularity," Knickerbocker says. "It has close to zero heat output and very low UV light so it won't green potatoes and other root crops." Another decided advantage of LED is that they last much longer than the alternatives.

Other producers, however, swear by lighting that brings out the full color spectrum. "The quality of the light and the color spectrum make the produce look its best," explains Rhoades. "You need lamps that bring out the red, and it's as efficient or more efficient than LED." Moreover, light that brings out a full color spectrum is two or three times more expensive than fluorescent, but cheaper than LED, according to Rhoades.

A number of firms specialize in lighting designed specially for supermarket produce departments. "We offer light that is specifically designed for the fresh food market," says Werhun. "Warm white light places a heavy emphasis on yellow, and cool white light emphasizes light greens and blue. We

put deep blues and deep reds back into the light.” Promolux produces more than 60 different sizes and shapes of these lights, and they fit in a range of conventional fixtures. They have already been installed in many Whole Foods markets, says Werhun.

“Color balance and low radiation are the keys to success,” details Werhun. “For anything that is colorful, the colors act as point-of-purchase material. You use the same color formula throughout the produce department.” The right color can make or break your produce sales. “And that decision right there is the ‘moment of truth’ — does the customer buy or not buy? Fresh food is naturally colorful and retailers throughout the world strive to bring that color to the attention of their customers. Fresh food has no fancy packaging to attract customers’ attention. Customers make their purchasing decision on eye appeal alone,” he continues.

These special lights are only intended for use very close to the produce. “Promolux isn’t a light to be installed in the ceiling or to give general illumination,” points out Werhun. “It is a light that is specifically designed for fresh food merchandising — anywhere that lighting is in close proximity to food, such as in a produce case or over a produce table.”

Cost is obviously an issue in designing or redesigning a produce department. “The energy efficiency and cost of your lighting need to come into play,” says Baero’s Rhoades.

The investment in the right light, however, is like hiring the right sales staff. “It’s more expensive, but it does the job,” Werhun of Promolux says. “The right lighting is a merchandising tool because decisions to purchase fresh food are subjective. Consumers buy based on what they perceive to be fresh and what they find appealing.”

Britigan of MEI Specialty, who specializes in floral fixtures, puts a number on the extraordinary value of the right light. “You can double the value of a bouquet by the way you display it,” she says. “Lighting is a key issue in floral because we’re selling color and if we don’t have the lighting correct, we’re not going to drive sales.”

The right ambience is also important to the overall supermarket experience. “Lighting and store ambience are very important to Publix and to our customers,” says Maria Brous, director of media and community relations at Lakeland, FL-based Publix Super Markets Inc. “As a company, we are focused on providing our customers with stellar customer service and high-quality products at competitive prices. Once we have taken

great care of our core business, we need to merchandise and lay out our stores appropriately and accordingly.”

Keep It Natural

Produce not only has to look fresh, it also has to look natural. Thus, display furniture made from natural materials can go a long way toward conveying the desired message. “It helps to use natural materials,” recognizes Patrick Saaf, CEO of Jefferson State Forest Products, in Hayfork, CA. “Our wooden

fixtures evoke the feel that the produce is fresh from the field or orchard.”

Another important design consideration is to have furniture that makes for layers of produce that almost spill over into each other, creating a feeling of abundance. “People would do well to think in terms of creating multiple levels of interest,” adds Saaf. “If you have layers spilling into each other it gives the feeling of a cornucopia. One popular technique is to have a continuous stack. You want to make sure the types of produce in the stack are similar.”

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“Have your local rep provide some of these fixtures and see what they do. High pressure sodium gives you warmer color for fresh produce, while ceramic metal halide gives you a cooler look for aisles and cashiers.”

— Lee Rhoades, Baero North America Inc.

Another way to think about the furniture is that it lets you build “islands of interest,” composed of complementary produce items. Greg Wilson, a designer at Jefferson State Forest references these “islands of interest,” noting, “We’re trying to create things that go together that trigger that impulse buy. It’s also good to contrast the colors,” he adds.

The last thing you want is displays that look empty, because it conveys the impression to the shopper that they are getting the dregs, and all the good stuff is already gone. “You want the displays to look full,” says Wilson, “because you never want them to look like they have been picked over.” Jefferson State makes display furniture that can be adjusted to fit the season or size of the produce and always look full. The furniture can go a long way toward giving the entire produce department a fresh look.

“We are always looking for furniture that will complement our products and the design of the store — clean, fresh and slick,” Brous of Publix says. At Publix, a priority is placed on an open feel and ease of navigation. “We design our store to provide our customer with ease of navigation, the feel of open space and the opportunity to display the freshness and abundance our of produce.”

There are differences of opinion, however, over how open or crowded the produce department should feel. “Some stores like it to be more crowded like a Farmers’ Market, while other stores like it with a lot of room,” says Jefferson State’s Saaf. “Many stores require five to six feet for the aisles so that two carts can pass. In between the islands, the Americans with Disability Act requires at least 30-inches,” Saaf says.

Keep It Fresh And Safe

The lighting, furniture and layout of the department go a long way toward helping the produce stay fresh and safe for the consumer.

Heat is your enemy in the produce department, and much of it comes from the light in the produce department. “You cannot have a lot of heat,” warns MEI Britigan. “Low heat and a color-rendering index as close to daylight as possible is best. We’re selling color, and lighting is a critical factor.”

The right kind of lighting is your friend in holding off produce decay and contamination. “The relationship of lighting to food safety, shelf-life and shrink is often not considered at the retail level, even if it is well documented at universities and food research centers in the United States and abroad,” Promolux’s Werhun says.

In addition to heat, light has to be looked at in terms of radiation in the ultraviolet range. “Ultraviolet light is not good for food; it accelerates spoilage,” cautions Werhun. “Our light is low in radiation so it slows down the process quite a bit. Regular lighting produces infrared radiation, ultraviolet radiation as well as visible radiation that negatively affect the chemical and nutritional values in all food groups. This in turn can be observed visually in discoloration, dehydration, changes in smell and taste, which are, in fact, the first symptoms of food safety being at risk.”

Refrigeration may not always be the best option when it comes to conveying the message that your produce is fresh and safe. Saaf recommends more dry tables and less refrigeration, and he also suggests replacing

refrigeration with ice. “Instead of refrigeration, you can set the produce on piles of ice, which makes the produce look fresher,” Saaf says.

When deciding about design and fixtures, it is important to remember your product is living in the produce department. “Always remember that most post-harvest products in produce displays are still alive,” says Werhun. “Produce is highly perishable, especially organic selections, which have not been treated with any chemicals to prevent decay. Leafy greens wilt very fast when exposed to light and heat, as do seasonal items like strawberries, cherries and assorted fruits. Potatoes can exhibit greening, which is a sign of toxicity.”

This Can Be Technical Stuff

Many of the decisions about lighting, furniture and décor can be so technical as to overwhelm. One way to cut through this is to put yourself in the position of the consumer who will be looking at your produce. “In a produce department, eye appeal is buy appeal, and the most successful produce displays are also the most colorful,” states Werhun. “Produce should be displayed under lighting that shows its true colors, but does not damage sensitive perishables. For lighting produce departments and cases, the focus should be on the benefits and value of shelf-life extension, food safety and merchandising.”

Before making a decision about the lights, take the time to look at produce as it appears under those lights. “Have your local rep provide some of these fixtures and see what they do,” suggest Rhoades of Baero. “High pressure sodium gives you warmer color for fresh produce, while ceramic metal halide gives you a cooler look for aisles and cashiers.”

And even relatively small supermarkets do well to bring in the professionals to help make these vital fixture decisions. “The owner of the store gets involved in the design of the produce department, and he has an architect who gets involved in the design of the stores,” says Jose Manzano, produce director for Dorothy Lane Markets, a three-unit chain headquartered in Dayton, OH. “He works with the owner about things like lighting and color in the produce department.” **pb**



Display furniture made from natural materials conveys a fresh-from-the-field message.

Instant Impact Key To Floral Packaging

Whether promoting a temporary brand or pushing seasonal items, savvy retailers always look for packaging options to satisfy customers and lift floral sales. **BY BOB JOHNSON**



PHOTO COURTESY OF DOS GRINGOS — A CALIFORNIA FLOWER COMPANY

Dos Gringos' box can be used to ship flowers and then for retail floor displays, offering a time- and labor-saving option to retailers.

Packaging can make or break a retailer's chance of drawing the consumer's eye to floral products. "The consumer today is bombarded by constant messaging, and you have about three seconds to get your customers' attention. Not only do you need great looking bouquets and flowers, but having great packaging to get your customers' attention helps close the deal," says James Lowder, product illustrator for GEMS International Inc., in Miami, FL.

But while the packaging has to help close the deal, it also has to help make for easy care of the bouquet or flowering plant. Bill Byland, manager of Micky's Minis, located in Millstadt, IL, emphasizes retail floral packaging must be functional and allow for easy watering, while having a breathable quality and allow for light to get to the flowers and plants.

Doing More With Less

Not only does packaging have to accomplish many jobs well, in today's economy it has to pull this off at a bargain price. "There's a lot

of downward price pressure on everybody," acknowledges Joe Persaud, president of Palm Tree Packaging, in Apopka, FL. People want an upscale look, but they don't want to pay more. We try to do more with less."

Suppliers are working to come up with ways to save a few pennies while still displaying floral products with flair. Dos Gringos — A California Flower Company, in Carpinteria, CA, is trying to help retailers improve their efficiency by using the latest technology to access care and handling information. "In the last couple of months, we began using care and handling information tags that you can scan and see a video on your smart phone," details Jason Levin, president of Dos Gringos.

Dos Gringos developed an attractive box that can be used both for shipping flowers and then for displaying those flowers at the retail level. Their half-pallet program is similar to the way watermelons and pumpkins have long been shipped and then displayed in the produce department. "A client asked us to come up with an instant impact display that would be a labor saver," recalls Levin. "It is similar to

what they do with pumpkins. You can use it for anything, but we use it mainly for sunflowers because that is our specialty."

Dos Gringos also began using boxes with rip away tops in order to save a few seconds on the receiving end. "I think the economy is making us more creative in finding ways to save our clients money," recognizes Levin. More than anything else, industry segments are working to develop packaging that pays for itself by making an instant impact.

Packaging As Salesperson

Promotional campaigns featuring attention-grabbing packaging can be a risky investment for growers working with retailers all across North America representing vastly different demographics. To tie in with National Dairy and Ice Cream months in June and July, Bay City Flower Co. of Half Moon Bay, CA softly launched its Hana Bay Flavors Ice Cream promotion summer 2010 featuring its 4.5-inch hydrangeas as ice cream cones. The plant sleeve graphic resembles an ice cream cone and the variety of hydrangea colors appear as visually



The Green Statement

Clearwater Nursery of Nipomo, CA, is launching a line of plants grown in unused plastic margarine containers. The goal behind this unique “upcycling” program is to find ways to use materials that otherwise would become waste. “We have an excellent relationship with a company called Terra Cycle,” says Steven Medeiros, marketing executive at Clearwater. “They basically reuse discarded items that would end up in landfills. The idea is that you are able to use what would normally be wasted.”

Terra Cycle’s most recent project is to recover Unilever containers from the I Can’t Believe It’s Not Butter brand of margarine. “We’ve successfully grown our products in these butter dishes without having to use any virgin materials,” Medeiros says. This unusual and innovative slant on ecological packaging is catching the interest of some of the nation’s largest retailers. “We hosted an event called Plants on Parade from November 30 to December 3. We featured Poinsettia trials and had about 100 guests,” he adds. Among the guests at the event were representatives from three supermarket chains that are very interested in the upcycled plant containers as part of a green campaign.

GEMS International Inc. of Miami, FL, uses biodegradable material for packaging that is designed to reveal nature. “The trend towards green packaging in the floral industry has maintained its value and sustainability to the end consumer,” says James Lowder, product illustrator for GEMS. “We carry OXO Biodegradable and PLA products as well as others. Our latest innovation in this subject is a collection of packaging solutions, which use a wet strength Kraft Paper that is also environmentally friendly. These solutions also provide a very natural and organic look.”

pb

enticing “flavors.” The company quickly learned this campaign has greater potential than exclusively offering it for Dairy months. Summer screams ice cream, and for retailers

hosting their own warm-weather events, the colorful hydrangea promotion is ideal.

The success of the packaging campaign created additional enthusiasm in the Bay City

marketing department, where the team developed an easy-to-assemble shipper display box. The ice cream stand-look of the POP display box helps maintain the ice cream theme and enables retailers to better present the grouped hydrangeas. Sandee Loeffler-Sidun, Bay City’s director of marketing, indicates the high visibility-display that draws customers into the floral departments is also successful in other areas of the store such as the dairy department.

Catchy displays are great, but floral retailers are often crunched for time and short on labor. Keeping this in mind, Bay City designed the shipper display box with minimal assembly steps. The box insert illustrates the simple steps in a way any store employee can follow.

For those space-challenged stores, The Pinery LLC of Escondido, CA recently developed a retail-ready POP vertical display that makes it convenient and easy for retailers to merchandise miniature, decorated Christmas trees. “We know some stores have to go up when displaying floral during December,” says Chris Robinson, director of marketing at The Pinery. A case becomes a level of the display that arrives packed with 10, 6-inch, potted, live Pine trees decorated for Christmas. The top of the case becomes the display base and retailers can go as high as three levels when stacking the cases. Shoppers are able to select a potted tree from any level of the display.

Robinson says the company has been growing Pines and Rosemary for 25 years and developed this shipper display for retailers wanting live Christmas products in more areas than the floral department. “Because this stacked display goes straight up and takes less than 3½ square feet of floor space, retailers can display fresh Christmas floral products anywhere including the bakery, with the wine or with greeting cards,” Robinson encourages.

The package can be the key in drawing consumers’ attention to floral products. Over the past 20 years, Micky’s Minis has developed a shelf designed specifically to effectively display the miniatures flowers and plants it grows and markets. “By grouping them together, it makes it easier to see them,” maintains Byland. “The shelves have evolved over the past 20 years into something we like and think the retailers like, too. Many retailers will spread the minis around the store, and they become hard for the customers to see.” The award-winning, mini-display shelves are available in metal, in metal with a plastic base or in cardboard.

There is a subtle issue here of using the package to catch the eye, but still allowing the floral product to take center stage. “I think packaging (floral sleeves) that does not com-

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FLORAL & FOLIAGE MARKETING

pete with the flowers offers the best visual appeal,” says Lowder of GEMS. “Sometimes keeping the designs on the sleeves as simple as possible is best. However, depending on the design on the sleeves coupled with the design of the bouquet or flowers, bright and bold can work in grabbing consumers’ attention as well. They key is to find a good balance, and that may take a little trial and error.”

The worlds of fashion and interior design can inspire floral packaging ideas with a unique look. “We are looking at the use of different materials and textures, using paper, fabrics and other materials that give bouquets and potted plants a luxurious look,” reveals Aileen Flicki, marketing manager at DecoWraps, based in Doral, FL. “Floral packaging design is becoming more and more inspired by the trends in interior design and fashion. We look at the latest fashions and colors to create appealing designs that will be current and chic.”

Another innovation is packaging that makes it easier for the consumer to carry more than one plant. “We have sleeves with

the handles on them that we introduced about three years ago,” says Persaud of Palm Tree Packaging. “It allows the customer to take more than one plant at a time. It’s consumer friendly.”

Flowers With a Brand

Over time, a packaging program cannot only draw attention to particular products, but can also create the signature look of a particular brand. “Packaging, along with good signage, is one of the most important tools a retailer can use to build its brand. Consistency in packaging is key to help building the brand so consumers can begin to know what to look for in your floral department when they come to look for a particular ‘brand.’ “We specialize in creating customized brands for our clients, which, quite often, requires incorporating customized sleeves, hang tags and signage,” Lowder explains.

Custom packaging can help build brands and generate customer loyalty. “More than any other trend we are seeing right now, retailers are recognizing the value of custom

packaging and merchandising,” reports Tatiana Perez, Miami office general manager at Temkin International, headquartered in Payson, UT. “With our talented in-house design team and the help of our new signage and merchandising division, we are helping customers create effective messaging and spread it throughout the department, complete with coordinated sheets, sleeves, signs, banners, aisle displays and even window cling signage. Temporary branding solutions are also becoming a big deal,” she continues. “Tear-away sleeves, Tempo strips and custom printed floral picks make it possible to clearly display promotional pricing, temporary guarantees and care and handling instructions, while making it easy to remove them once the promotion has expired or before gifting.” Temkin’s Tempo strips attach to the stems and stick up above the rim of the floral sleeves, drawing special attention to promotional info. Perez says a perforated line makes it easy to tear-away the strip after purchasing, helping consumers keep their special pricing a secret. **pb**

FLORAL WATCH

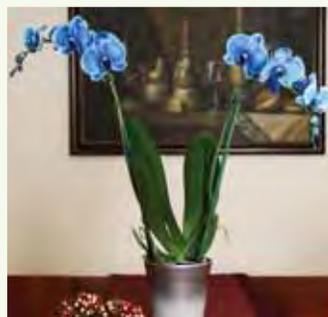
ANNOUNCEMENTS



FAVORITE NEW FOLIAGE PLANT

Deroose Plants Inc., Apopka, FL, received the Favorite New Foliage Plant award for its Alocasia ‘Black Magic’ at the Tropical Plant Industry Exhibition (TPIE) in Fort Lauderdale. The award was presented at the annual January event hosted by Florida Nursery, Growers and Landscape Association of Orlando, FL.

RSN 338



ELECTRIC BLUE

Silver Vase Inc., Homestead, FL, unveiled Blue Mystique, the world’s first blue orchid at the Tropical Plant Industry Exhibition (TPIE), January 19-21 in Ft. Lauderdale, FL. Exclusive patented technology makes this new introduction truly distinctive. Blue Mystique thrives in low to medium light and is available in a 5-inch pot.

RSN 339

NEW PRODUCTS



READY TO FILL

Pride Garden Products, King of Prussia, PA, introduces the 8-inch Hadley planter in its new line of containers made from recycled plastic. Featuring innovative shapes and designs, the containers are elegant and durable. Ideal for Mother’s Day, Father’s Day and non-holidays, the Hadley planter is available in several finishes and colors including Patina, Camellia Rose, Paisley Purple and Tawny Port.

RSN 340



PARTICULARLY PETITE

Bay City Flower Co. Inc., Half Moon Bay, CA, introduces 3.5-inch petite Hydrangeas in clay pots. The fun-sized hydrangeas are easy to care for and are available in assorted colors. Straight cases of white will be available for Christmas and New Year holidays. Expect a minimum of two flowers and three is typical. They arrive packed 15 per carton.

RSN 341

Put Packaged Nuts To Work In Produce

As more consumers are focused on healthful eating, packaged nuts have an opportunity to shine as a grab-and-go snack with smart merchandising and display techniques. **BY MEREDITH AUERBACH**



PHOTO COURTESY OF SETTON INTERNATIONAL FOODS INC.

Packing nuts in clear resealable containers lends a fresh-packed look and allows retailers to make their own mixes in house.

Promising gains in sales and profits are leading more retailers to take another look at packaged nuts in the produce section. No longer a stepchild, packaged nuts are earning their way to high visibility and a destination display. Equally at home and appropriate in snack foods, baking and produce, years ago packaged nuts were relegated to produce. But it took a long time for produce folks to realize how lucky they were.

All kinds of nuts are now coming into their own, and with good reason: lots of variety; good, long shelf-life, good margin and a high ring. Add to these factors an increasingly strong health message of antioxidants and “good” fats; waves of consumers accustomed to convenience and snacking; clear use-by dating; and plenty of ways to innovate both product and packaging resulting in differentiated departments.

Coming from a retail store background, Mark Seguin, director of marketing strategy for Paramount Farms Inc., a Lost Hills, CA-based grower and packer of pistachios under the Wonderful brand, as well as almonds, is passionate about the opportunities for nuts in

today’s fast-shifting markets. “Packaged snack nuts, as a category, is a \$1.7 billion industry and one of the Top 3 snack categories,” he reports. “Last year, between December and the Super Bowl, we shipped 50,000 quarter-pallet display units of our Wonderful pistachios throughout the country. It will keep growing.”

It’s time to reexamine the roles packaged nuts take in your stores by considering the influences of trends taking place.

New Choices Attract Consumers

Watch the Food Network and you’ll see why consumers are seeking bold flavors from all around the globe. The nut industry understands and has taken on new initiatives to make peanuts, almonds, pecans, pistachios and other nuts delight consumers with hot and tangy flavors including salt and pepper, garlic, onion, chile and lime, wasabi, buffalo wing and even a cocoa-roasted almond.

Not all nut processors nationally distribute their products, but retailers have almost unlimited choice from a combination of national and regional distributions. “We recommend a full mix of straight nuts, flavored nuts, trail mixes and nut blends to attract the consumer

and offer a flavor solution for every occasion,” suggests Mike DeCramer, director of grocery sales at Tropical Foods Inc., in Charlotte, NC. “To snack is to experience great taste sensations, but flavored and straight nuts also have new applications in topping salads, cooked and roasted vegetables and entrees,” he points out. “Photography helps shoppers see new ideas and generate larger and multiple purchases.”

Private label expands consumer choice as well. Andrew Stillman, president of Amport Foods (American Importing Co. Inc.), in Minneapolis, MN, describes a popular program developed to help grocery stores and produce retailers compete against dollar stores: “We use clear lay-down bags in a variety of single-serving sizes that stores can offer for \$1-each, most often as a 10-for-\$10 promotion,” he reveals. “Everything is based on the basic cost of the nut — almonds, pecans, peanuts — and that determines the size. It’s the easiest of grab-and-go.”

Packing nuts in clear, plastic resealable trays lends a fresh-packed look. One approach is to get the packer to do it, while another is to ship bulk nuts to individual stores where nut varieties can be packed as a store product. The

“As nuts become an increasingly important category, we’re endeavoring to work more closely with suppliers and seek promotion pricing on a longer schedule with more advance notice of changes.”

— Raul Gallegos, Bristol Farms

latter practice means the store can prepare its own blend to suit local customer tastes and mixes become a store differentiator.

Akron’s West Point Market, in Akron, OH, is a well-known “foodie” heaven, where almost every perimeter department could be considered a specialty boutique. Dave Lukins, produce manager and buyer, explains, “For us, nuts are a specialty food that bridges the space between produce and other specialty items. Because we are a single store, we purchase from carefully selected packers and then make our own packs and mixes. Everything we do is all about freshness and flavor. Our signage stresses this year’s crop. We’ll stock 35 SKUs from about 20 varieties.”

“We use private label, national brands and our own self-packed clamshells, perhaps a total of 90 to 100 SKUs between nuts and mixes that we cycle in and out,” reports Raul Gallegos, produce director of the newly privatized 13-store chain, Bristol Farms, in Carson, CA. “Nuts are clearly a destination in our stores.”

Terry “Peanut” Williams, national sales manager of Clarkton, NC-based Sach’s Peanuts, says, “We only do in-shell peanuts but specialize in private label where we custom-design promotional packaging for both customers and other processors, and can pack 8-oz. to 5-lb. bags.”

Another specialty private label packer is Setton International Foods Inc., headquartered in Commack, NY. Chief operating officer, Mia Cohen, points out, “Retailers are able to use our 100 percent naturally opened pistachios to anchor a premium private label nut program. The quality draws consumers to the nut section and creates exposure for other private label or branded nuts as well.”

Ease The Pricing Pinch

Most producers and retailers have in mind “magic” numbers. That is to say, they know the exact price points where product sales accelerate. Often, it is more tied to the number and the nut variety than to the actual size of the package. Joseph Setton, Setton’s vice president of sales and marketing, knows, “Our customers like to be able to have a \$2.99 intro. Our new 8-oz. stand-up bag of in-shell pistachios enables

them to sell everyday at that price.”

Chad Hartman, brand manager for Tropical Foods, points out regional differences and says, “In the Southeast where we distribute, the magic number is around \$2.49 or less. It puts nuts in the middle of the produce range and consumers appear to make nuts more of a planned purchase.”

“The 10-for-\$10 program attracts many consumers who then go on to purchase large, family-sized 2-lb. resealable bags,” comments Amport’s Stillman.

West Point Market’s Lukins says, “We’re lucky; as long as we can keep the typical price under \$5, our customers understand the value of quality.”

Pete Jessup, director of retail sales for Severn, NC-based Hampton Farms, reminds retailers, “Peanuts, especially in-shell, tend to anchor the nut category in pricing and are the value nut. Peanut pricing also tends to be more stable over time,” he says.

Promotion: Think Year-Round

Nuts respond well to promotion, and the season traditionally has been November through Super Bowl. The classic and still effective tie-ins are holiday cooking and entertaining and major sports events, which can vastly extend the promotion calendar. When thoroughly explored, the nut “season” can be extended all year long.

Because their products are largely still impulse purchases, nut producers rely on retail promotion to drive in-store sales. Jessup asserts, “Working with retail partners to develop effective promotions is critical to a peanut producer like us. We want to develop good, strong relationships with retailers so that we can tap in to promotion occasions such as sports events and the summer season for picnics and outdoor snacking.”

Still, the times and consumers are changing, presenting new opportunities to promote nuts. Paramount’s Seguin offers, “We see consumers seeking mindful snacking, focused on fun, healthful, active eating experiences such as in-shell pistachios. In fact, we, as a company, may have shifted more to health and its messages faster than some consumers have. We now

target primarily female shoppers, aged 30 to 55; they’re educated, affluent and purchase a bigger shopping basket — all good for retailers. Snacking, entertaining and quality food in general are the drivers.”

“We’ve found promotions supported by a full communications effort — the weekly store ad, television, social media, colorful package graphics — work very well in the \$2.99 to \$3.99 range with \$1 off,” continues Seguin. “There’s plenty of opportunity for at least four to six major promotion events a year.”

“As nuts become an increasingly important category, we’re endeavoring to work more closely with suppliers and seek promotion pricing on a longer schedule with more advance notice of changes,” adds Bristol Farms’ Raul Gallegos.

Display: Making Nuts A Destination

When it comes to nuts, visibility counts. Sales increase when there is direct visual contact between nut packages and shoppers. That calls for a full nut section within the produce department with secondary displays scattered appropriately throughout the store. Abel Menendez, sales manager at Barnard Nut Co., based in Miami, FL, points to the flexibility of colorful bins of nuts such as those featuring their Nuts About Florida and *La Botana de Don Pepe* brands. He says, “We want shoppers to be able to see the size and quality of our nuts. The bins help do that and they can fit in almost any department. We do all our own roasting and mixes and put them in 8-oz. bags so they are easy to buy and eat.”

In many stores throughout the United States, a 4-ft. rack is common, but a combination of greater space, waterfall displays, Euro table or shelves at eye-level bring better results. Dick Rissman, director of produce for the 12-store chain Dahl’s Food Markets, located in Des Moines, IA, follows this approach and includes seasoned as well as plain nuts. “It works well for us,” he says. “We do use some smaller package sizes to keep some retail prices down.”

At Bristol Farms, Gallegos devotes a top to bottom 8 by 8-foot space that moves to the front of the produce department during promotions.

Tie the nut section clearly to produce and then free-think associations about snack nuts and other sections throughout the store. Consider cross-merchandising with other produce items such as apples or salad greens.

Many producers have invested heavily in moving from commodity status to brands recognized by consumers. Working together, retailers and producers can reap the benefits of strong consumer orientation and appeal. **pb**

INCREMENTAL GROWTH



According to ongoing analysis of produce sales primarily by quarter and year compared with the respective year-earlier periods, the swings for many commodities have tended to even out into a narrow trend line. Sometimes, the change has been nothing more than the price level in relation to supply variances. In every instance, one product's gain in share of the

total is offset by another's decline. After all, the sales pie represents a hundred percent regardless of its size, and without unusual circumstances, too often the size of the pie is little changed from one year to the next. Many observations suggest per-capita consumption of fresh fruit and vegetables has grown little or none during the last decade.

Recently one marketing consultant indicated tomato sales should increase from around seven percent of the pie to nearly twelve percent. Ask a dozen commodity groups and nearly all would say they should have a higher percentage of the pie. Add the numbers together. Have you ever seen a 125 percent pie? Total sales always add to a hundred percent even with a larger pie.

The challenge is supplying product consumers want to purchase and getting retailers to respond with promotional programs. Before the potential for tomatoes is realized, growers and shippers must understand consumer perception. For years, this has been a prime drawback to gaining incremental growth. Granted, a recent survey reportedly showed consumers preferred field-grown to greenhouse-produced tomatoes. Apparently field-grown was not defined. For the most part, consumers indicate they prefer vine-ripened, especially locally grown, to mature green.

Incremental tomato volume growth is going to depend on continued development of new improved tomato varieties of varying types. Then the dissemination of the appropriate information to consumers utilizing the latest marketing tools such as social media, mobile marketing, phone apps and whatever the next method is — now unknown but surely in the planning and development stages — will effectively supplement retail promotional programs to expand the category.

Some retail marketing programs have generated better results than others, as grocers have attempted varying methods to meet budget requirements. Perhaps the most successful in the last decade has been the creation of a year-round berry category thanks to globalization, improved varieties and nutritional attributes, which have made considerable impact on consumers.

All have fostered only limited gain for passive retailers who haven't recognized the promotional potential. Formerly, the seasonal category was thought to have only limited appeal primarily during the spring and early summer. Making matters worse was the below average profit margins. The more one sold, the greater profit margin of the balance was required to meet the overall department percentage profit objective.

As information technology has provided an ever-increasing flow of data, it becomes easier to analyze the promotional impact of each and every item or combination. Only some advertised items sell enough to impact the overall program. Other items on sale may provide substantial increases in tonnage when advertised at low margins, but contribute limited overall dollar sales increase and often a massive decrease in gross profit dollars. Then there are those items whose response to a wide range of promotion at varying price levels provides high tonnage increases to achieve not only high dollar sales increases but also a greater dollar profit contribution to the department. These definitely fit the classification for incrementally positive growth.

The key is finding how to mix all three components in such a way as to maximize the achievement. Some operators appear to do this very successfully, while a few rarely communicate to customers with promotion programs designed to consistently maximize results.

This year, one Southeast chain's feature produce advertising has seemingly focused on items such as blueberries, strawberries and cherries. Interestingly, according to the USDA, per-capita consumption of these three items also shows the largest percentage increase among fruit items from 2004 to 2009.

The retailer noted above rarely advertised at prices above others in the marketplace. It didn't seem to be important where the product originated, be it South America, the East or West Coast, or north or south of our borders. The time of the year hasn't provided a roadblock as long as the product has been good quality. The key is identifying and responding to where consumers will bring incremental growth.

At the same time, vegetables, fruit and melons have been judiciously mixed into their advertising. Equally important is the overall impression consumers receive from the wide variety ranging from packaged mixed vegetables to in-store prepared cut fruit and melons. I have no knowledge of their sales or profits, but previous department product analysis leads me to believe the mix achieves steadily improving results. Providing consumers a positive purchasing and utilization experience is the responsibility of everyone in the supply chain. Developing an appealing promotional balance will provide the incremental growth.

pb

As information technology has provided an ever-increasing flow of data, it becomes easier to analyze the promotional impact of each and every item or combination.

By Dave Diver

Dave Diver is the former vice president of produce at Hannaford, and a regular columnist for *PRODUCE BUSINESS*.

2011 FRUIT LOGISTICA INNOVATION AWARD

The Fruit Logistica Innovation Award (FLIA) for 2011, presented by Messe Berlin GmbH and *Fruchtandel Magazine*, will be chosen in February at the world's leading international trade fair for fruit and vegetable marketing in Berlin, which is scheduled to take place February 9-11. The award honors outstanding innovation in products and services and is open to all companies exhibiting at Fruit Logistica and Freshconex 2011 that commercially introduced an exceptional innovation to the market between November, 2009, and October 31, 2010.

More than 50,000 trade visitors from some 125 countries are expected to attend the event, which takes place at the Berlin Exhibition Grounds. The show, which boasts 2,300 exhibitors from all over the world, was nearly fully booked in September, six months before it would occur. Attendees will have a chance to cast their votes for one of the 10 best innovations that have been pre-selected by an expert panel of judges from the wholesale and retail trade, as well as the packaging and service industries. The following candidates were nominated:

- Consorzio Italiano Vivaisti, Italy: Sweet Resistants — five new sweet resistant apple varieties
- Florette, France: Resealable Freshness Salad Bag — a resealable apple bag
- Gasa Group, Denmark: Jamie Oliver, Grow Your Own — different herbs and mushrooms for home use
- Limeburst Fingerlimes, New Zealand: Limeburst Fingerlimes — an Australian fruit from the citrus family
- NSure, The Netherlands: StoreNSure Pear — internal quality control for Conference pears during storage
- Plant & Food Research, New Zealand: Rockit — a small apple variety marketed in a clear cylinder
- Prime Champ, The Netherlands: Mandelpilz — a mushroom variety with a nutty taste
- Syngenta Seeds, The Netherlands: Angelle — a small plum tomato
- The Greenery, The Netherlands: Sweet Sensation — an especially sweet pear
- Xeda International, France: BIOX M — a natural germination inhibitor

Here are a few more details on some of the nominees.

Consorzio Italiano Vivaisti, Italy: Sweet Resistants

The Italian Consortium of Nurseries (CIV) has introduced five new apple varieties including Gaia, Gemini, Renoir, Emerald and Fujion. The range is able to meet different needs in terms of fruit characteristics and ripening. They are all suitable for cultivation in different environments and can work alongside traditional varieties as well. All five apples have successfully passed the testing phase, which involved consumer panels, and are now ready for distribution.

NSure, The Netherlands, StoreNSure Pear

StoreNSure can test a batch of pears in order to predict the likely loss of their size or the risk of browning, which may occur during storage

periods. The prediction is made by taking a sample of juice from the lot at the time of harvest, which is then sent off to NSure labs. NSure only needs two days to process the results. With NSure's technology, manufacturers can find out which lots will mature faster and get them to market sooner, thereby avoiding storage problems. This reassures the growers and shippers by reducing shrink and profit loss, and offers consumers the opportunity to buy a Conference pear that has no internal problems due to storage. Currently, NSure is only available for the Conference pear, but the test will be developed for other varieties based on market demand.

Plant & Food Research, New Zealand: Rockit

The new apple variety by Havelock North Fruit Company, Rockit, has already won several New Zealand innovation awards, including the Small/Emerging Enterprise Award and the Food Innovation Award at the New Zealand Food Awards. The apple is a result of the collaboration between Havelock North Fruit, Prevar Limited — the licensor — and

Plant & Food Research, the breeder. The apple was created in Hawke's Bay, New Zealand, an area already lauded for its award-winning wine production, and is being marketed as "sweet, crunchy and distinctively fresh." The apple is slightly bigger than a golf ball with an intense red blush. The innovative packaging makes it a convenient and healthful grab-and-go snack for children and adults. Rockit apples have sold

successfully in the domestic market, and offshore markets have been established in the United Kingdom, United States and Asia. The apples have not been genetically modified. Rather, they are the result of cross-breeding between carefully chosen varieties.

The Greenery, The Netherlands: Sweet Sensation

The Sweet Sensation is a new red, premium pear, which has been widely introduced to the market this year. It stands apart due to its sweet and fresh taste. It has been introduced in an effort to entice children to eat more pears. The Sweet Sensation is a club variety and only several license holders may grow and market it, which will control the volumes on the market. Additionally, there are strict requirements on quality and food safety. They will be grown worldwide and marketed under the same attractive and uniform brand: a tempting kiss, which is illustrated by the lip-shaped sticker.

Xeda International, France: BIOX M

BIOX M is a natural alternative to various chemicals currently on the market that prevents budding, fungus and bacterial formation in potatoes. The product has comparable efficacy to that of conventional chemical treatments, but is 100 percent natural and organic, leaving no synthetic residue behind. In fact, Cedax Ltd., licensee of Xeda International, was recognized by the Ministry of Health for marketing this chemical-free alternative. The product is made from peppermint oil and can even be used on seed potatoes, while preserving seed growth and increasing productivity.

The award honors outstanding innovation in products and services and is open to all companies exhibiting at Fruit Logistica and Freshconex 2011 that commercially introduced an exceptional innovation to the market between November, 2009, and October 31, 2010.

Join Us For This Important And Exciting Industry Event!

Produce for Better Health Foundation's 2011 Annual Meeting will be held at the beautiful **Monterey Plaza Hotel & Spa** in Monterey, California, from **March 31 – April 2**. New for 2011, the annual meeting will be open to everyone in the fruit and vegetable industry. The agenda for PBH's 2011 Annual Meeting is better than ever, offering cutting-edge research, innovative speakers, and just enough time to network with the elite of the fruit and veggie industry.

March 31 - April 2, 2011



2011 Annual Meeting,
Golf Tournament, &
Gala on the Coast
MONTEREY PLAZA HOTEL & SPA



KEYNOTE SPEAKER:

JASON RYAN DORSEY - THE GEN Y GUY®
Best-selling Author & Acclaimed Keynote Speaker

Hear how to maximize your impact on the Gen Y generation through social media and other marketing efforts! Jason will be speaking on **Friday, April 1**.

For questions about the event, contact Sharese Alston,
(302) 235-2329 x332,
salston@pbhfoundation.org.

Hope to see you there!

REGISTRATION OPEN NOW!

Here's all of the information you need to register and make your travel plans for this power-packed industry event:

ELECTRONIC REGISTRATION

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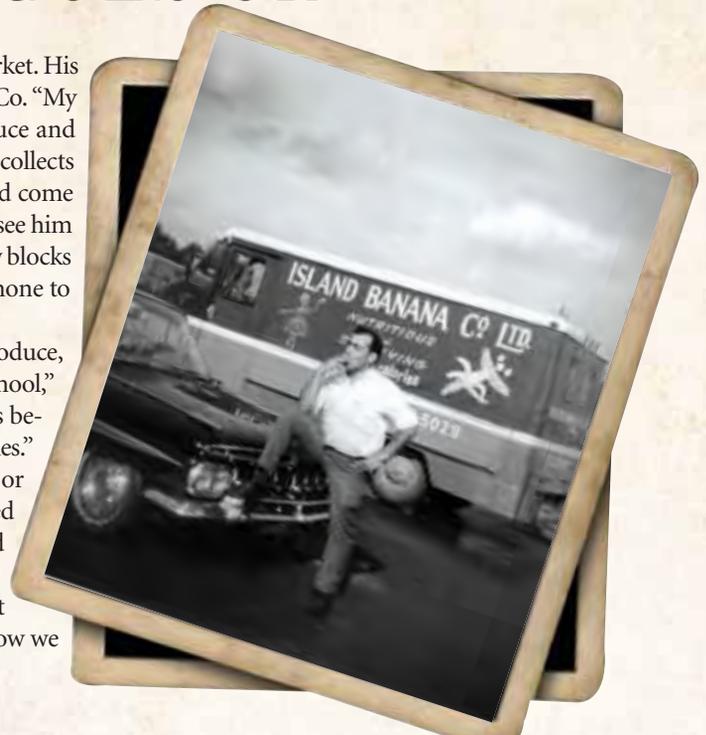
THE BEAT GOES ON

Dan Simone, a buyer for Stronach & Sons, grew up on the Toronto market. His father, Rocco, seen in the 1966 photo at right, worked for Island Banana Co. “My dad started there in 1956, and he did everything, from unloading produce and gassing the bananas to taking orders and making deliveries to retailers,” recalls Dan. “I remember stealing away in the back of the delivery van. He would come home for lunch when I was three or four years old, and I was so excited to see him that I would just hop in the back without anyone knowing. Of course, a few blocks down the road when he found me, he would have to pull over to a pay phone to call my mom so she wouldn’t worry.”

Rocco worked at Island Banana, which eventually became Ontario Produce, until he retired. “I joined the company in 1974, working summers during school,” says Dan. “Once I graduated with a marketing degree, I took a job in sales before moving on to Stronach, where I currently buy all the California vegetables.”

Dan knows better than anyone how much the market has changed — or hasn’t. “The market itself remains the same,” he says, “but what has changed is the product. For example, bananas used to come in bunches that needed to be hung. Now, everything comes boxed on pallets. It’s even many of the same people, but there’s a group of us who are getting older. The kids that I played with on the market when I was a boy — we’re all still here, but now we are company buyers and owners. We are the older folks now.”

And just like that, the cycle continues.



The *Blast from the Past* is a regular feature of *PRODUCE BUSINESS*. We welcome submissions of your old photos, labels or advertisements along with suggested captions. Please send materials to: Editor, *PRODUCE BUSINESS*, P.O. Box 810425, Boca Raton, FL 33481-0425, or e-mail info@producebusiness.com

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FEBRUARY 2011

COMPANY	PAGE #	RS#	PHONE	FAX
A&A Organic Marketing, Inc.	54	3	831-768-0300	831-685-0302
Albert's Organics	54	12	678-429-9497	610-388-8418
Asociacion Mexicana de Horticultura Protegida A.C.	25	20		
Associated Potato Growers, Inc.	60	16	800-437-4685	701-746-5767
Maurice A. Auerbach, Inc.	41	52	201-807-9292	201-807-9596
Baero North America, Inc.	91	65	314-692-2270	314-991-2640
Basciani Foods, Inc.	82	5	610-268-3044	610-268-2194
Blue Book Services	44	41	630-668-3500	630-668-0303
Boncheff Greenhouses	74	57	416-233-6922	416-236-3903
Canadian Produce Marketing Association	87	27	613-226-4187	613-226-2984
Capay Canyon Ranch	55	9	530-662-2372	530-662-2306
Capital City Fruit Co., Inc.	64	11	515-981-5111	515-981-4564
Champ's Mushrooms	82	34	866-Champs1	604-607-0787
L. Cherrick Horseradish Co., Inc.	19	71	314-421-5431	314-421-3277
Christopher Ranch	54	35	408-847-1100	408-847-0581
Christopher Ranch	40	36	408-847-1100	408-847-0581
Ciruli Brothers	33	25	520-281-9696	520-281-1473
Clifford Produce Sales, Inc.	23	10	519-796-2199	519-326-5332
Country Fresh Mushroom Co.	82	54	610-268-3043	610-268-0479
Curry & Company	65	24	800-929-1073	503-393-6085
Dawson Farms	61	67	318-878-5806	318-878-2826
Deardorff Family Farms	56	58	805-200-5216	805-483-1286
Del Monte Fresh Produce	100	75	800-950-3683	305-520-8495
Dole Fresh Fruit Company	2	38	818-879-6600	818-879-6628
dProduce Man Software	64	47	888-PRODMAN	650-712-9973
Duda Family Farms	77	53	800-342-DUDA	804-1491
Earthbound Farm	55	72	888-624-1004	831-623-7886
Farm Pak Products, Inc.	61	68	800-367-2799	252-459-9020
Fresh Taste Produce Limited Canada	69	42	416-255-2361	416-255-8742
Freska Produce International, LLC	32	29	805-650-1040	805-650-3550
Gambles Ontario Produce, Inc.	70	43	416-259-6391	416-259-4392
Garber Farms	61	69	337-824-6328	337-824-2676
The Garlic Company	40	30	661-393-4212	661-393-8698
Giant Steps Toronto/York Region	72	59	905-881-3104	905-881-4592
Giorgio Fresh Co.	83	74	800-330-5711	610-429-3810
The Giumarra Companies	79	31	760-480-9133	213-628-4878
Global Organic Specialty Source, Inc.	55	4	877-952-1198	941-358-6551
Gourmet Specialty Imports LLC	41	1	610-345-1113	610-345-1116

COMPANY	PAGE #	RS#	PHONE	FAX
Grower Alliance, LLC	35	22	520-761-1921	520-377-9189
I Love Produce LLC	41	55	610-869-4664	610-869-5711
Idaho Potato Commission	59	15	208-334-2350	208-334-2274
Inline Plastics Corp.	37	51	800-826-5567	203-924-0370
Jem D International	74	76	519-733-3663	519-733-9970
Kern Ridge Growers, LLC	54	2	661-854-3156	661-854-2832
Kern Ridge Growers, LLC	85	60	661-854-3156	661-854-2832
Lakeside Organic Gardens	56	61	831-761-8797	831-728-1104
LGS Specialty Sales, Ltd.	19	21	800-796-2349	718-542-2354
Lisa Inc.	35	49	520-281-1863	520-281-2848
Maine Potato Board	58	14	207-769-5061	207-764-4148
Mann Packing Company, Inc.	9	46	800-884-6266	831-422-5171
Anthony Marano	99	13	793-321-7500	312-829-9426
J. Marchini & Son / LeGrand	58	73	559-665-9710	559-665-9714
Melissa's/World Variety Produce, Inc.	58	62	800-468-7111	323-588-7841
Apache Produce / Melones International	26	23	520-281-2282	520-761-1829
MIXTEC Group	32	19	626-440-7077	626-440-1557
MBJ Sales, Inc.	83	7	800-333-MUSH	610-268-0837
Monterey Mushrooms	84	70	636-587-2771	831-763-2300
Mucci International Marketing, Inc.	74	37	866-236-5558	519-326-5917
N&W Farms	61	63	662-682-7961	662-682-7998
N2N Global	46-47	26	407-331-5151	407-331-5151
National Mango Board	31	8	877-MANGOS-1	407-629-7593
New England Produce Council	16	6	781-273-0444	781-273-4154
Northern Plains Potato Growers Assn.	60	17	218-773-3633	218-773-6227
Nova Produce, LP	35	48	239-444-1140	239-592-9392
Produce for Better Health Foundation	28	302-235-2329	302-235-5555	302-235-5555
Produce Pro Software	47	56	630-395-9600	630-572-0390
SAGARPA - Embassy of Mexico	28-29	39	202-728-1727	202-728-1728
Schellenberg Farms	54	64	559-638-7292	888-396-3048
Silver Creek Software	48-49	66	208-388-4555	208-322-3510
Spice World, Inc.	42	18	800-433-4979	407-857-7171
Stronach & Sons, Inc.	72	44	416-259-5085	416-252-0110
United Fresh Produce Association	80	50	202-303-3400	202-303-3433
United Fresh Produce Association	20	40	202-303-3400	202-303-3433
Veg-Pak Produce, Ltd.	71	45	416-259-7400	416-259-3859
Village Farms	24	32	877-777-7718	610-429-6222
Vision Import Group	27		201-968-1190	201-968-1192
J. Roland Wood Produce	61	33	919-894-2318	919-894-6195



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